The Johns Hopkins University

Institute for Policy Studies

IS NEIGHBORHOOD POVERTY A GOOD MARKER OF NEIGHBORHOOD QUALITY?

Prepared by

Introduction to Policy Analysis Students
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FOREWORD

This report was prepared by graduate students in the course "Introduction to Policy Analysis," which I teach in the graduate program in public policy at Johns Hopkins each fall. I always devote a significant segment of the course to the examination of a timely policy issue facing Baltimore. Last fall, we looked at the relationship between the neighborhood poverty rate and neighborhood quality. This relationship is of more than theoretical interest because it underlies a number of government subsidy programs that bring needed resources into city neighborhoods. For example, the U.S. Department of Housing and Urban Development's project-based voucher program excludes neighborhoods from eligibility for this subsidy program if more than 20 percent of the residents have incomes below poverty.

The next few pages show how I set up this hypothetical policy analysis problem: a memorandum from Mayor Martin O'Malley to Paul Graziano, Commission of the Housing Authority of Baltimore City. The Mayor asks for an assessment of the nature and extent of the relationship between the neighborhood poverty rate and neighborhood quality, and the implications of these findings for modifying the eligibility criteria for programs that rely on this relationship.

Last December, the students presented their preliminary findings to an audience of federal and city policymakers, representatives of community-based organizations and local foundations, Johns Hopkins faculty, and Baltimore residents. The students have done their best to incorporate the excellent feedback from this session into this report.

Based on a detailed examination of a sample of 25 Baltimore neighborhoods that vary along several dimensions including poverty rates, location within the city, and adjacency to neighborhoods with higher--or lower--poverty rates, the report indicates that neighborhood poverty is not a good marker of neighborhood quality. The analysis also offers little support for a 20 percent threshold, or for the 20-year trend in poverty being a better proxy for neighborhood quality than the rate in 2000 alone.

This analysis comes at a very opportune moment. HUD is currently reconsidering its regulations for the project-based voucher program, and one ultimate outcome of the major class action public housing lawsuit, *Thompson v. HUD*, is a new set of criteria for HUD's allocation of assisted housing resources. The students' findings have direct implications for both, and we hope they are used.

Sandra J. Newman

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HYPOTHETICAL CLASS ASSIGNMENT
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M E M O R A N D U M

TO: Paul Graziano, Commissioner
Housing Authority of Baltimore City (HABC)

FROM: Martin O'Malley, Mayor

RE: Is Neighborhood Poverty a Good Marker of Neighborhood Quality?

One of my priorities is ensuring that Baltimore receives its fair share of funding from the federal government. I am, therefore, concerned that eligibility criteria for some assisted housing programs of the U.S. Department of Housing and Urban Development (HUD) may be depriving Baltimore of important federal dollars for housing and community development.

HUD's eligibility criteria for the placement (or "siting") of assisted housing, known as Site and Neighborhood Standards, require us to avoid areas having an "undue concentration" of assisted housing containing a "high proportion of low-income persons."[1] The criterion for one particular type of assisted housing, project-based vouchers, is much more explicit: neighborhoods where more than 20 percent of the residents have incomes below poverty are ineligible for these subsidies.[2]

I certainly want to do all I can to increase the housing choices of poor Baltimoreans. But in our city, one option for achieving this outcome is to reinvest in distressed neighborhoods to improve the quality and affordability of housing, which is another goal articulated by HUD. In Baltimore, such improvement is likely to require assisted housing. We are, therefore, in the paradoxical situation of pursuing the HUD goal of neighborhood revitalization to eliminate slums, blight and deterioration while being restricted by HUD rules and regulations from making assisted housing investments in these low-income neighborhoods. This contradiction is particularly problematic in our city where roughly half of our neighborhoods have poverty rates above 20 percent.

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[1] 24 Code of Federal Regulations (2003). 941.202: Site and Neighborhood Standards for public housing and HOPE VI, April 1.

[2] Federal Register (2001). Docket No. FR-4633-N-01: Revision to PHA Project-Based Assistance Program; Initial Guidance. HUD Notice. Vol. 66, No. 10, January 16.

Beyond this conundrum, the Site and Neighborhood Standards seem to be based on the premise that neighborhood poverty is a good marker of neighborhood quality. The 20 percent limit for the project-based voucher program goes even further. It establishes 20 percent as the "tipping point" or threshold beyond which neighborhood quality is unacceptably low. Curiously, other federal programs set different thresholds. For example, the Moving to Opportunity (MTO) program uses a 10 percent neighborhood poverty threshold to define a "low poverty" neighborhood, the Low-Income Housing Tax Credit program requires that 50 percent of households in the tract have incomes that are less than 60 percent of the area median gross income, and the regular housing voucher program has no neighborhood poverty restrictions whatsoever. I was also under the impression that high poverty neighborhoods are usually defined by experts as those where 40 percent or more of the residents have incomes below poverty.

This variation in federal program rules and regulations suggests that there is uncertainty about the neighborhood poverty/neighborhood quality nexus. Since these program requirements may be disadvantaging the city by limiting our access to federal funds, we need to determine whether the relationship between neighborhood poverty and neighborhood quality is speculation or fact, and what this relationship looks like in Baltimore.

I'd like you and your staff to spend the next few months examining the relationship between neighborhood poverty and neighborhood quality, and developing recommendations to HUD for modifying its programs, if warranted by your findings. Your empirical analysis should focus on a sample of Baltimore neighborhoods that vary by poverty rate.

[Part I]

Definitions, Theories, and Empirical Evidence

Begin by **briefly** summarizing key background information that is relevant for your analysis. This should include a short review of HUD's eligibility criteria for siting assisted housing and whether there has been any debate about these criteria. Since the project-based voucher program relies on the official poverty line, also include how poverty is measured and, again, any debate about this measure.

Next, to establish the framework for the analysis, provide a **brief** critical review of what is known about the relationship between neighborhood poverty and neighborhood quality.

• Is this relationship well-grounded in theory and empirical evidence? (Are other indicators better predictors of neighborhood quality?)

• If such evidence exists, does it suggest a causal relationship (i.e., that high poverty *causes* neighborhood distress) or a correlation (i.e., many high-poverty neighborhoods are also distressed neighborhoods)? Does it suggest a poverty threshold or tipping point beyond which neighborhood quality declines substantially?

• Is the 20 percent figure used by the project-based voucher program based on hard evidence?

• HUD criteria assume that neighborhood quality affects the life chances of residents (e.g., educational attainment, employment, welfare receipt). Does the weight of the evidence support this assumption?

[Part II]

Neighborhood Analysis

Indicators of Neighborhood Quality

To get a concrete sense of the relationship between neighborhood poverty and neighborhood quality in Baltimore, you will need to examine the variations in neighborhood quality that exist in city neighborhoods that have different rates of poverty. This, in turn, requires that you define the elusive concept of "neighborhood quality." While I expect your background research will guide your definition, please be sure that your report covers at least some aspects of the following domains:

1. Demographics and Socioeconomic Characteristics: persons, households and families in poverty; income (including fraction with "low income" vs. fraction with "higher income"); welfare receipt; employment rates; earnings; professional and managerial workers; racial composition; age of household head; female-headed households; teen births; number of households and persons; residential stability; homeownership rates; number of public housing and other assisted housing units.

2. Physical Environment: quality of the housing stock; extent of abandoned properties; property values; presence of parks; presence of undesirable nonresidential land uses; upkeep (e.g., "broken windows," graffiti, vandalism).

3. Social Environment: level of civic engagement; social activities; social interaction and neighborliness; social trust; existence and effectiveness of neighborhood-based and community-development organizations.

4. Economic Activity: type and number of retail and commercial establishments; residential building and rehabilitation; other private sector investments.

5. Crime: crime level and rate, by type; perceived safety.

6. Health: child abuse and neglect; lead-based paint risk.

7. School Quality: test scores; high school dropout rates.

8. Image: perceptions and reputation of the neighborhood among residents, knowledgeable observers, and in the media.

To set the context for your analysis, please provide a brief description of each neighborhood in your sample. Also, be sure that your analysis is designed to answer the following questions:

- Is the *trend* in the poverty rate *over time* a better marker of neighborhood quality than the poverty rate at a single point in time? For example, is there a difference between neighborhoods with a consistently increasing poverty rate over, say, the last 20 years compared to those exhibiting a more erratic pattern? (Be sure to test different variations on this theme.)

- Is it the poverty rate *taken alone* that matters, or is it the combination of the poverty rate and some other feature(s) (e.g., poverty and race; poverty and age) that matters?

- Do you observe a tipping point or threshold beyond which neighborhood quality declines substantially?

Methods

I recognize that your study cannot generate a definitive and generalizable answer about the relationship between neighborhood poverty and neighborhood quality. I also expect that much of your research will be inductive: generating insights by studying a large number of indicators of neighborhood quality in a sample of Baltimore neighborhoods that vary by poverty rate. But even a well-designed, largely inductive study, when based on rich data and a solid analysis, should provide useful insights into the neighborhood poverty/neighborhood quality nexus.

At a minimum, please include the following sources of data:

(a) **Census and Administrative Data:** These are key sources of data on the quantifiable characteristics of Baltimore neighborhoods including both their poverty rates and quality indicators. This analysis requires both a snapshot and an analysis of changes over time (e.g., 1990-2000; 1980-1990).

(b) **Interviews and Discussions:** Because I am certain you will not find "hard" data on all the topics to be covered, you will need to conduct interviews to fill gaps. (I expect that such qualitative data will also be helpful in interpreting the quantitative data.) For example, shopkeepers and residents may be excellent sources of information about changes in commercial establishments in the neighborhood, while knowledgeable observers outside the sample neighborhoods can discuss neighborhood image and reputation. To ensure that you arrive at a balanced view, it is essential that you interview a wide range of individuals both within, and outside, the neighborhood.

(c) **On-site Observations:** Observations are another method for filling data gaps and are often essential for characterizing aspects of the physical environment.

Conclusions and Implications

• Is there a relationship between neighborhood poverty and neighborhood quality in Baltimore?

• Is there evidence of a tipping point or threshold?

• Is the trajectory of neighborhood poverty more important than the level of neighborhood poverty? If so, what type of trajectory is most closely associated with neighborhood quality in your sample of neighborhoods?

• What other factors, if any, seem to affect the relationship between neighborhood poverty and neighborhood quality? For example, does the age or racial composition of the neighborhood matter, or whether the neighborhood is adjacent to more affluent neighborhoods versus neighborhoods with similar or greater rates of poverty?

• Are there indicators other than the poverty rate or "a high proportion of low-income persons" that appear to be more closely associated with neighborhood quality? What are they?

• What siting standards make sense in a city like Baltimore where more than half of our neighborhoods have poverty rates that exceed 20 percent?

• What recommendations, if any, should we make to HUD to modify their current siting requirements for assisted housing as described in their Site and Neighborhood Standards and project-based voucher guidelines?

We'll have weekly meetings on this important project over the next few months. I've also scheduled a formal briefing on your research and findings for **Tuesday, December 9 at 9:30 a.m.**

CONTRIBUTORS

This report was prepared by the Fall 2003 Introduction to Policy Analysis class of the Master's Program in Public Policy at the Johns Hopkins University Institute for Policy Studies.

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The class teaching assistants--Rachel Brash, Brecht Donoghue, and Kristen Engnell--provided valuable help and support on all facets of the project and we thank all of the citizens, business owners, and community leaders we interviewed who helped to bring their neighborhoods to life for us, the Baltimore city officials who helped to give us a broader view of the city's neighborhood quality, and everyone else who shared thoughts, insights, and information.

Finally, we thank Professor Newman for designing this challenging assignment--and providing the guidance and support to carry it out.

TABLE OF CONTENTS

EXECUTIVE SUMMARY

A number of federal programs that invest significant resources in the nation's cities use the neighborhood poverty rate (i.e., the fraction of each neighborhood's residents with incomes below the federal poverty line) as an eligibility criterion. Curiously, some of these programs, such as the U.S. Department of Housing and Urban Development's (HUD) project-based housing voucher program, exclude neighborhoods with poverty rates that exceed a certain threshold (currently 20 percent), while others, such as the U.S. Department of Treasury's Low-Income Housing Tax Credit, target neighborhoods with large low-income populations. This inconsistency, in itself, suggests some confusion about the value of using neighborhood poverty or low income as a targeting criterion.

The purpose of this study was to examine the relationship between the neighborhood poverty rate and neighborhood quality in Baltimore. We addressed four questions: (1) Is there a relationship between neighborhood poverty rates and neighborhood quality? (2) What is the form of this relationship? (3) Is the trend in poverty rates over time a better marker of neighborhood quality than the rate at a point in time? (4) Are there mitigating factors that affect the relationship between neighborhood poverty and neighborhood quality? To our knowledge, this study provides the most comprehensive examination of the poverty-quality relationship at the neighborhood level that we are aware of.

The relevant literature offers little insight into the relationship between poverty rates and neighborhood quality. With little theory to guide our analysis, we conducted case studies of 25 Baltimore neighborhoods, examining both quantitative and qualitative data, to assess whether the neighborhood poverty rate influenced multiple measures of neighborhood quality. The neighborhoods vary by poverty rate and range from low-poverty (<.20), to middle-poverty (.20-.40), to high-poverty (>.40). The analysis examined roughly 90 measures of neighborhood quality covering eight domains: (1) demographics and socioeconomics; (2) physical environment; (3) social environment; (4) school quality; (5) crime and safety; (6) economic investment; (7) image; and (8) health. Sources of data include the last three decennial Censuses; local administrative sources; systematic on-site observations; interviews conducted with residents, arm's length experts, and business owners; and historical newspaper and internet research. The spatial variation in the neighborhood sample allows an examination of whether proximity between poverty and non-poverty neighborhoods has an effect on the relationship between the neighborhood poverty rate and neighborhood quality.

The first analysis sample includes five adjacent census tracts in southwest Baltimore: St. Joseph's (17 percent of residents living below the federal poverty line); Gwynns Falls/Carroll/South Hilton ("Gwynns Falls") (23 percent poverty); Penrose/Franklin Square ("Penrose") (28 percent poverty); Shipley Hill (32 percent poverty); and Carlton Ridge/Boyd Booth ("Boyd Booth") (51 percent poverty). Few indicators for these neighborhoods exhibited a linear relationship either with the poverty rate in 2000 alone, or with the poverty rate over time. The lack of correlation between the neighborhood poverty rate and neighborhood quality was most evident in the middle-poverty neighborhoods. For many indicators, Shipley Hill (.32), the highest of the middle-poverty neighborhoods, ranked worse than the highest-poverty neighborhood, Boyd Booth (.51). In addition, the lowest of the middle-poverty neighborhoods, Gwynns Falls (.23), ranked more poorly on several negative quality indicators compared to the

other middle-poverty neighborhoods, and Penrose (.28) often ranked better than St. Joseph's (.17) or Gwynns Falls (.23).

In assessing quality indicators, the involvement of community organizations and economic investment emerged as more informative about the neighborhood's quality than the poverty rate alone. The poverty trajectory was helpful for understanding the variations among the middle-poverty neighborhoods, while the underclass is a better marker of neighborhood quality for only the two highest-poverty neighborhoods. There was no evidence of a poverty threshold. Even though St. Joseph's (.17) exhibited high quality overall, we saw no evidence of a precipitous decline in quality indicators between the low-poverty neighborhood and the middle-poverty neighborhoods, as the threshold theory suggests.

The second analysis sample includes four adjacent neighborhoods with poverty rates exceeding 20 percent--Coldstream-Homestead-Montebello ("CHM") (.25), East Baltimore Midway ("Midway") (.26), Barclay (.35), and Better Waverly ("B. Waverly") (.44)--and the not-adjacent Lower Hamilton ("L. Hamilton") (.18) neighborhood, whose poverty rate falls below 20 percent. This spatial grouping was chosen to see whether the poverty level of adjacent neighborhoods bears on the relationship between neighborhood poverty and neighborhood quality. A linear relationship between poverty and quality was evident in only a few socioeconomic indicators, but the vast majority of indicators across multiple domains did not exhibit this pattern. Though the middle-poverty neighborhoods displayed worse quality than the low-poverty neighborhood, the high-poverty neighborhood consistently performed as well as, or better than, the middle-poverty neighborhoods. Other indicators such as school quality and some measures of economic investment showed no relationship with the poverty rate. Some quality indicators, such as median residential sales price, suggested a possible threshold or tipping point at 20 percent poverty beyond which quality declined markedly.

These five neighborhoods suggest that adjacency may be a mitigating factor affecting neighborhood quality. For example, a portion of the high-poverty neighborhood that is adjacent to higher quality neighborhoods exhibits higher quality than its poverty rate would lead us to expect. Although we expected the poverty trajectory to be a better marker of quality, the evidence for these five neighborhoods did not support this view. In addition, the four underclass measures did not appear to be better indicators of neighborhood quality for these five neighborhoods.

The third analysis sample includes five neighborhoods where the two lowest-poverty neighborhoods, Frankford (.19) and Parkside (.24), are adjacent to one another, as are the two high-poverty neighborhoods, Darley Park (.35) and Broadway East ("Bdwy. East") (.53). Cedonia (.27), the middle-poverty neighborhood, is located close to Frankford (.19) and Parkside (.24) but is not adjacent to either. Several measures of neighborhood quality have a generally linear relationship with the neighborhood poverty rate. These measures include assault rates, features of the social environment, and measures of neighborhood image. Other measures suggest a poverty rate threshold beyond which neighborhood quality declines dramatically. Examples include median residential sales prices, abandoned housing, non- two-parent households, and educational attainment. Income above $60,000, owner-occupied homes and economic investment did not suggest a relationship between neighborhood poverty and quality. The poverty rates of adjacent tracts may play some role in the relationship of poverty and quality in the study sites. The poverty trajectory over time provides insights into the pattern of quality

measures in low-poverty Frankford (.19), where poverty has worsened significantly in the past 10 years, and middle-poverty Cedonia (.27), where poverty has remained stable over the past 20 years.

The fourth analysis sample is referred to as the North Avenue Mobility Corridor because it roughly approximates one of the migration pathways out of the city and into Baltimore County. It includes the neighborhoods of Walbrook (.19), Rosemont-Winchester ("Winchester") (.23), West Forest Park ("W.F. Park") (.27), Lower End of Reservoir Hill ("Reservoir Hill") (.33), and Upton (.45). Our analysis revealed neither strong correlations between poverty rates and neighborhood quality, nor support for a 20 percent or 40 percent poverty threshold. In fact, although W.F. Park (.27) is a middle-poverty neighborhood, it mirrors the quality of the lowest-poverty neighborhood, Walbrook (.19). By contrast, Winchester (.23), another middle-poverty neighborhood, consistently mirrors the two highest-poverty neighborhoods. We found no evidence that race mitigates the relation between neighborhood poverty and neighborhood quality, but did observe a linear relationship between age and the poverty rate: as the proportion of residents under age 18 increases, the neighborhood poverty rates increase. The poverty rates of adjacent neighborhoods may also be influential in mitigating the effects of poverty on neighborhood quality. The location and physical attributes of the middle-poverty neighborhood W.F. Park (.27) may help explain the erratic pattern that characterizes the poverty-quality relationship in this neighborhood. Its location near the city's borders, its proximity to lower-poverty neighborhoods, and the presence of large forested areas within its boundaries may contribute to its relatively higher quality.

The fifth and final analysis sample includes the five neighborhoods that are non-adjacent and located throughout the western half of the city of Baltimore: Falstaff (.18), Cylburn (.21), Dickeyville (.26), Cherry Hill (.32), and Mt. Wynans (.42). We did not find a linear relationship between the neighborhood poverty rate and neighborhood quality. While the low-poverty neighborhood fared better than the high-poverty neighborhood on nearly all measures, there was significant variation among the middle-poverty neighborhoods. On some measures, middle-poverty neighborhoods demonstrated poorer neighborhood quality than the high-poverty neighborhood. Curiously, the middle-poverty neighborhood Dickeyville (.26) had equal, and sometimes better, quality than the low-poverty neighborhood.

We also did not find a threshold effect at either 20 percent poverty or at 40 percent poverty. While in one middle-poverty neighborhood, Cylburn (.21), measures of neighborhood quality declined significantly beyond the 20 percent threshold, consistent with the 20 percent poverty threshold hypothesis, it did not hold for another middle-poverty neighborhood, Dickeyville (.26), where quality was higher despite its higher poverty rate. And while the high-poverty neighborhood almost always had the poorest neighborhood quality, one middle-poverty neighborhood, Cylburn (.21), often had a similarly low level of neighborhood quality. This undercuts the 40 percent threshold hypothesis. Evidence on the poverty trajectory is mixed. In the three neighborhoods that have increasing poverty rates, several measures of quality have also declined. But in the two neighborhoods with declining poverty rates, there was no evidence that quality was improving.

To some extent, the presence of an underclass appears to be more closely related to neighborhood quality in these case study neighborhoods than the poverty rate alone. The existence of an underclass in the middle-poverty neighborhood, Cylburn (.21), might play a role

in explaining why its quality is similar to the high-poverty neighborhood. Similarly, the absence of an underclass may be relevant to why the middle-poverty neighborhood, Dickeyville (.26), has similar quality to that of the low-poverty neighborhood. The analysis also suggests that the neighborhood quality in the middle-poverty neighborhood, Cylburn (.21), may be affected by high-poverty rates in adjacent neighborhoods.

The empirical evidence presented in this study indicates that neighborhood poverty is not a good marker of neighborhood quality. While the lowest-poverty neighborhoods almost always ranked higher on quality than the highest-poverty neighborhoods, the pattern for middle-poverty neighborhoods was erratic. There was also little support for a 20 percent poverty threshold, for the 20-year trend in poverty being a better indicator of quality than the poverty rate in 2000, or for the presence of an underclass representing a better marker of neighborhood quality.

Neither age nor race was a mitigating factor in the relationship between neighborhood poverty and neighborhood quality, though the lack of variation in these demographics limited our ability to test this effect. But the poverty rates of adjacent neighborhoods may plausibly influence the poverty-quality relationship in a few neighborhoods through the negative spillovers from high-poverty neighborhoods or the positive spillovers from those with low rates of poverty.

Recommendations for alternative eligibility criteria for government programs include systematic research to identify neighborhood attributes causally linked to improvement and success (or decline and failure), reconsidering census tracts as the representation of neighborhoods, accepting the possibility that multiple measures may be required to capture the elusive concept of neighborhood quality, and thinking about a role for localities in targeting government resources to neighborhoods.

CHAPTER l
INTRODUCTION

Executive Summary

A number of federal programs that invest significant resources in the nation's cities use the neighborhood poverty rate (i.e., the fraction of each neighborhood's residents with incomes below the federal poverty line) as an eligibility criterion. Curiously, some of these programs, such as the U.S. Department of Housing and Urban Development's (HUD) project-based housing voucher program, exclude neighborhoods with poverty rates that exceed a certain threshold (currently 20 percent), while others, such as the U.S. Department of Treasury's Low-Income Housing Tax Credit, target neighborhoods with large low-income populations. This inconsistency, in itself, suggests some confusion about the value of using neighborhood poverty or low income as a targeting criterion.

The purpose of this study was to examine the relationship between the neighborhood poverty rate and neighborhood quality in Baltimore. We addressed four questions: (1) Is there a relationship between neighborhood poverty rates and neighborhood quality? (2) What is the form of this relationship? (3) Is the trend in poverty rates over time a better marker of neighborhood quality than the rate at a point in time? (4) Are there mitigating factors that affect the relationship between neighborhood poverty and neighborhood quality? To our knowledge, this study provides the most comprehensive examination of the poverty-quality relationship at the neighborhood level that we are aware of.

Background and Significance

Programs that limit investment to low-poverty neighborhoods, such as HUD's project-based voucher program, are based on the expectation that neighborhood poverty is closely related to neighborhood quality and, ultimately, that neighborhood quality is, in turn, related to outcomes for residents in these neighborhoods. The core idea is that if a neighborhood's poverty rate is "too high," there is a risk that government investment will be ineffective.

At first glance, this notion has common sense appeal and, for some, may seem almost tautological. But the inconsistency in neighborhood income or poverty rules followed by various government programs suggests some confusion. The recently released results from the HUD Moving to Opportunity (MTO) program[1]--a demonstration program based on the explicit assumption that neighborhood poverty matters for individual outcomes--vividly demonstrate that this confusion is warranted. The MTO results reveal that, after six years, participants were not benefiting as expected from their new low-poverty surroundings. While resident satisfaction was high, few significant gains were made in such areas as educational attainment, self-sufficiency, or household earnings. Many other studies reviewed in the next chapter, "Definitions, Theories, and Empirical Evidence," raise further questions about using the neighborhood poverty rate as the sole indicator of neighborhood quality.

[1]MTO is an experiment in which inner-city public housing residents moved to neighborhoods with very low poverty rates, and their outcomes were compared to similar residents who did not move to low-poverty neighborhoods.

The problems with basing neighborhood investment decisions by the federal government on uncertain measures are very real in cities such as Baltimore. Expanding the housing choices for poor Baltimoreans often means reinvesting in distressed neighborhoods to improve the quality and safety of housing. In Baltimore, assisted housing would likely play a large role in this strategy. At the same time, HUD's eligibility criteria for its project-based voucher program excludes neighborhoods where more than 20 percent of residents have incomes below the poverty line. This places Baltimore in the paradoxical situation of pursuing the HUD goal of neighborhood revitalization to eliminate slums, blight, and deterioration while being restricted by HUD rules and regulations from making assisted housing investments in these low-income neighborhoods. The fact that roughly half of all Baltimore's neighborhoods have poverty rates above 20 percent makes this contradiction problematic. By setting the specific limit of 20 percent, HUD obstensibly believes that this poverty level represents a threshold or "tipping point" beyond which neighborhood quality declines substantially. This 20 percent level is substantially more restrictive that the 40 percent level that has emerged from research on neighborhood poverty, as noted in Chapter 2.

Research Objectives

The purpose of this study is to examine the relationship between the neighborhood poverty rate and neighborhood quality in Baltimore. Through systematic empirical investigation using multiple sources of data and research methods (as discussed in Chapter 3, "Research Methodology"), we have attempted to determine whether the relationship implied in HUD's project-based voucher, MTO, and other government programs exists in a sample of Baltimore neighborhoods, the nature of that relationship, and what it implies for HUD's program rules both generally and as they apply to Baltimore.

We are particularly interested in the applicability of our findings to HUD's project-based voucher program. This program seems well-suited to Baltimore because it addresses two of the key housing challenges the city faces: a large, decaying, low-income housing stock; and a large share of residents who are very poor. The project-based voucher program provides assistance to both the owner of a rental property and to the tenant. The owner receives a small subsidy for physical rehabilitation of the units as well as the guarantee of the rent subsidy provided to the tenant, while tenants receive a rent subsidy limiting rent to 30 percent of income and the option of taking this rent subsidy with them if they decide to move elsewhere after one year of residence. Because a significant share of Baltimore neighborhoods are excluded from participation in the project-based voucher program, we were interested in whether this exclusion achieves the goals HUD has established for this program.

Our research is organized around four key questions:

1. Is there a relationship between neighborhood poverty rates and neighborhood quality?

2. If there is a relationship, what form does it take? For example, is the relationship *linear*, where, for example, each percentage point increase in the poverty rate is associated with an equivalent decrease in neighborhood quality? Or does the

relationship take the form of a *threshold* or *tipping point*, as implied by HUD's project-based voucher program or MTO program? In these programs, the expectation is that neighborhood quality declines dramatically once the poverty rate reaches 20 percent or 10 percent, respectively.

3. Is the *trend* in the neighborhood poverty rate a better marker of neighborhood quality than the rate at a point in time? Virtually all of the programs that rely on neighborhood poverty or income as an eligibility criterion use a cross-sectional estimate. But it is plausible that the poverty dynamics in a neighborhood--whether poverty is growing or declining--could be even more important, because the direction of change in a neighborhood may influence the success of public investment. It is also possible that the "starting" rate of poverty could matter; that is, that there is a threshold poverty rate where the trend becomes a strong indicator of quality.

4. Are there mitigating factors that affect the relationship between neighborhood poverty and neighborhood quality? For example, does it matter whether a neighborhood is surrounded by other neighborhoods with either higher--or lower--rates of poverty? Or is there a different relationship in the case of ghetto poverty than in more racially mixed neighborhoods? If a neighborhood is comprised largely of poor elderly residents living on fixed incomes, do we observe a different relationship between the poverty rate and quality?

General Approach

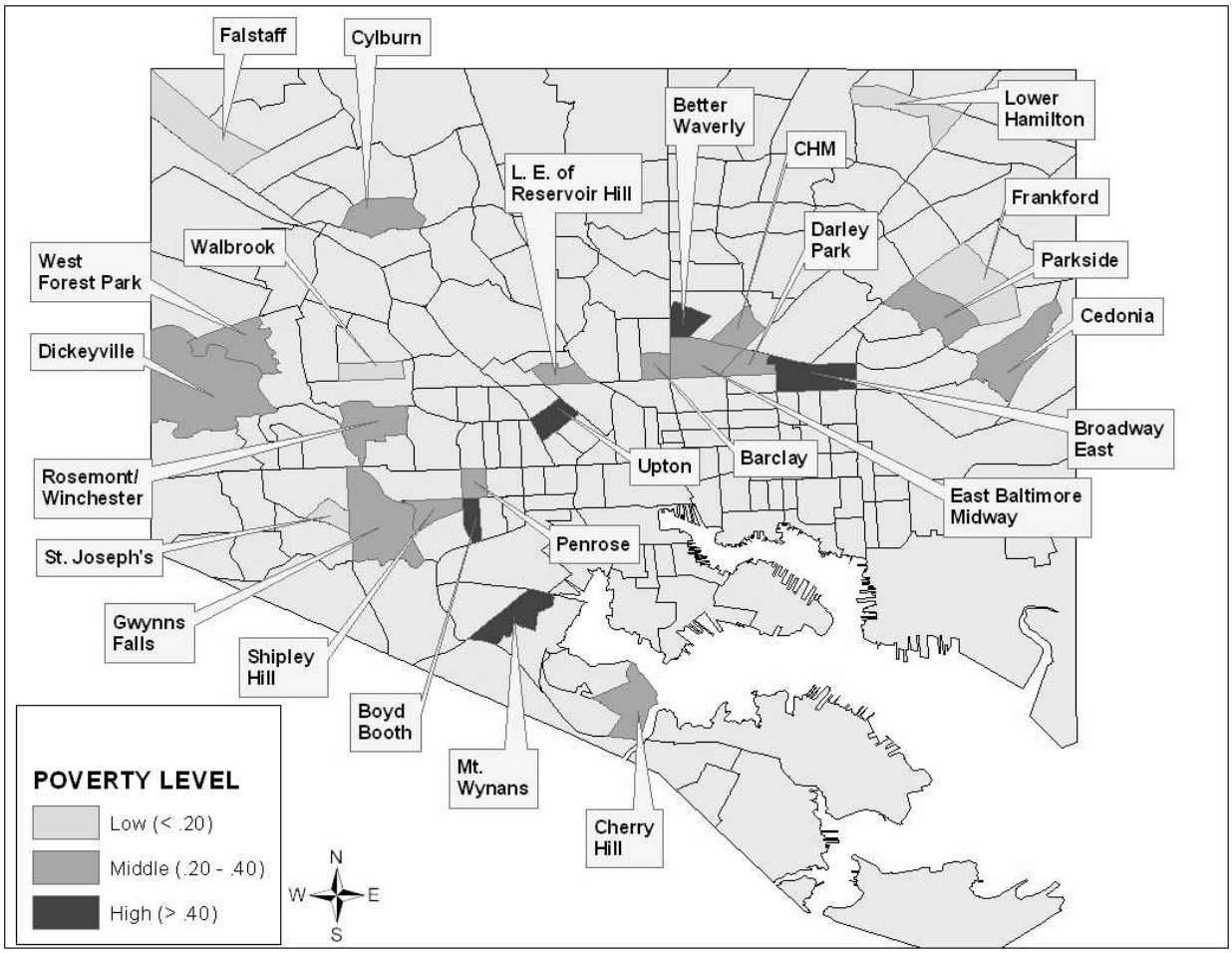
We conducted case studies of a sample of the 25 Baltimore neighborhoods shown in Figure 1.1. The neighborhoods are distributed geographically across the city; some study sites are adjacent to each other, while others are dispersed in particular ways, as explained in our more detailed discussion of methodology in Chapter 3.

The class of 29 students was divided into five teams, and each team was assigned a sub-sample of five city neighborhoods that varied along the poverty rate continuum from "low poverty" (defined as less than 20 percent) to "high poverty" (defined as 40 percent or greater). Beyond these 25 study neighborhoods, each of the teams also evaluated the influence of the poverty rates of neighborhoods bordering these case study sites. "Quality" is an undeniably elusive and subjective concept. To assess neighborhood quality as accurately as possible, we examined a wide range of indicators from eight domains: (1) demographic and socioeconomic characteristics; (2) physical environment; (3) social environment; (4) school quality; (5) crime and safety; (6) economic investment; (7) image; and (8) health.

Contributions of this Research

This study provides a systematic empirical examination of the relationship between neighborhood poverty and neighborhood quality using multiple sources of data, both quantitative and qualitative, and multiple research approaches. For example, beyond the quantitative Census and administrative data analyzed here, we also collected primary data from 136 interviews with neighborhood residents, business owners, and neighborhood experts. Although limited by the

Figure 1.1
Location of 25 Study Sites in Baltimore



available data and statistical analyses, this study provides the most comprehensive examination of the poverty-quality relationship at the neighborhood level we are aware of. We hope that the findings are useful to HUD and other agencies that use poverty or income as an eligibility criterion for public sector investment in neighborhoods, and to Baltimore and other cities in the throes of revitalization.

The remainder of this report is divided into eight chapters. We begin in Chapter 2 by reviewing the relevant literature, including the key theories explaining how the neighborhood poverty rate may affect neighborhood quality. In Chapter 3, we review the study's design and methods, and describe the indicators and measures we relied on to assess the relationship between the neighborhood poverty rate and neighborhood quality. Chapters 4-8 describe the analysis of the 25 neighborhoods, each chapter focusing on a sub-sample of five neighborhoods. We present the conclusions and implications of our research in Chapter 9.

CHAPTER 2
DEFINITIONS, THEORIES, AND EMPIRICAL EVIDENCE

Executive Summary

HUD's emphasis on poverty rates presumably is rooted in the belief that poverty concentration negatively affects neighborhood quality, which in turn affects residents' well-being and future opportunities. In HUD's eligibility criteria for the placement of assisted housing, formally referred to as "Site and Neighborhood Standards," the goal is to avoid neighborhoods where "quality" is deemed unacceptably low. When a particular poverty rate is used as an explicit criterion for locational decisions, the underlying premise is that neighborhood poverty has a substantial effect on neighborhood quality, and there is a threshold, or tipping point, of poverty beyond which neighborhood quality is unsuitable for public investment.

The relevant literature regarding this assumption offers little insight into the relationship between poverty rates and neighborhood quality, focusing instead on the socioeconomic and developmental consequences of growing up in a poor neighborhood. While few studies have been able to isolate the effects of neighborhood poverty, those that have made the attempt show little, if any, improvement in the well-being of families who have moved from concentrated poverty into very low-poverty neighborhoods (Orr et al. 2003).

Several theoretical models described in the literature were useful for the present analysis. These theories, known as "neighborhood effects," have been developed to help shed light on how a neighborhood's socioeconomic composition or other attributes may positively or negatively influence outcomes for children, youth, and families. Although this area of research is still developing, several rigorous studies strongly suggest that neighborhood effects are likely to exist.

Popularized in Malcom Gladwell's book The Tipping Point (2000), the concept of a tipping point, when applied to neighborhood poverty rates, suggests the existence of a poverty threshold beyond which neighborhoods will deteriorate rapidly. There is no consensus in the literature as to where this threshold may lie. Experts offer figures that range from 15 percent to 54 percent of a neighborhood's population (Galster 2002), clearly raising questions about HUD's use of a 20 percent threshold in its project-based voucher program.

Another set of research looks at factors that mitigate the relationship between neighborhood poverty rates and neighborhood quality. Significant attention has been paid to race, focusing on the differences between ghetto poverty, defined as predominantly black neighborhoods of concentrated poverty (40 percent or higher), and other high poverty areas. However, there is no empirical evidence supporting the distinction between poverty and quality in ghetto versus other neighborhoods.

HUD's Eligibility Criteria

In compliance with the Civil Rights Acts of 1964 and 1968, as well as with two court orders (*Gautreaux vs. Chicago Housing Authority* and *Shannon vs. HUD)*, HUD issued

eligibility criteria for the placement of assisted housing. The goal of these criteria was to decrease, if not eliminate, areas of concentrated poverty (Vernarelli 1986). Often referred to as "Site and Neighborhood Standards," the first criterion requires that cities avoid areas containing a "high proportion of low-income persons," while the second criterion specifies neighborhood poverty rates beyond which HUD will deny federal investment unless a waiver from the Department is granted (Federal Register 2003a; 2003b). As shown in Figure 2.1, HUD does not employ a single poverty rate across programs. In the Moving to Opportunity demonstration, the target neighborhood poverty threshold for experimental families is below 10 percent poverty. The project-based voucher program guidelines stipulate that only neighborhoods below 20 percent poverty are eligible for this subsidy. A final example is the housing voucher program, where no poverty thresholds apply.

Figure 2.1
Examples of HUD Eligibility Criteria by Program

HUD Program	Eligibility Criterion
Moving to Opportunity Demonstration	Less than 10 percent poverty in the census tract
Project-based vouchers	Less than 20 percent poverty in the census tract
Regular housing vouchers	No poverty level restrictions

Sources: Federal Register (2001; 2003a; 2003b).

HUD's Implicit Model

HUD's reliance on poverty rates is apparently based on the belief that poverty concentration negatively affects neighborhood quality, which in turn negatively affects residents' well-being and future opportunities. This set of relationships is depicted in Figure 2.2. To what extent are these purported relationships based on solid empirical evidence? The remainder of this chapter is devoted to a review of the relevant literature.

Figure 2.2
HUD's Implicit Model

The Relationship between Neighborhood Poverty Rates and Resident Outcomes

The empirical literature offers little insight into the relationship between neighborhood poverty rates and resident outcomes. While a number of studies have examined the socioeconomic and developmental consequences of growing up in a poor neighborhood, few have been able to isolate the effects of neighborhood poverty on resident outcomes. HUD's Moving to Opportunity program offers perhaps the most accurate insights into this question.

Moving to Opportunity (MTO) Demonstration Program

MTO was devised to understand the consequences of a resident's relocation from an area of concentrated, high poverty (equal to or greater than 40 percent) to one designated as low-poverty (10 percent or less). The outcomes of relocated families were compared to similar residents of high-poverty neighborhoods who did not move. Research on MTO, therefore, offers a direct test of whether low neighborhood poverty rates have a beneficial impact on poor residents.

Findings from the demonstration's first six years show little or no improvement in resident well-being and related outcomes (Orr et al. 2003). Families who moved with program vouchers to low-poverty neighborhoods did experience gains in psychological well-being, lower levels of obesity, and decreased risky behavior among girls. However, there was no effect of living in low-poverty neighborhoods on educational performance, employment, earnings, household income, food security, and self-sufficiency, and there was an increase in incidents of behavioral problems, smoking, and arrests for property crimes among boys ages 15 to 19.

Theories of Neighborhood Effects

Early attempts to explain the social problems in high-poverty neighborhoods typically focused on a "culture of poverty," or the socially deviant set of norms and values found in inner-city neighborhoods (Rankin and Quane 2000). However, William Julius Wilson moved away from a purely behavioral theory of poverty by looking at the effects of structural change on cultural life. In The Truly Disadvantaged, Wilson offers a view of poverty that examines both its sociological and ecological determinants (Massey 1998). Wilson argues that black urban poverty is perpetuated through structural changes at the neighborhood level that act to undermine family stability. More specifically, in identifying "neighborhood effects" on residents' life chances, Wilson points to the spatial intensification of unemployment and subsequent concentration of poverty as primary factors in isolating the urban poor from valuable social capital. It is this lack of social capital, defined as a social network of resources (including access to community institutions and contact with educated and employed role models), and not purely a "culture of poverty" that contributes to the perpetuation of poverty (Rankin and Quane 2000).

A number of theories have been developed to help shed light on how a neighborhood's socioeconomic composition may influence the development of children, youth, and families. Jencks and Mayer (1990) review the key mechanisms by which social exposure and interaction between socioeconomic groups results in positive, negative, or both sort of effects on neighborhood residents. Their main findings are summarized in the next section.

Positive Influences

Affluence Theory

Affluence theory posits that individuals living in relatively affluent communities have access to more resources, higher functioning peers, and better role models compared to residents of lower socioeconomic neighborhoods. These factors benefit residents by establishing social

norms conducive to positive outcomes, such as graduation from high school and employment. Affluent individuals may also connect neighbors to social networks or create institutions that benefit the entire neighborhood. The core of this theory argues that proximity to at least some proportion of higher-income individuals is more important than the presence of low-income neighbors.

Collective Socialization Theory

Collective socialization theory focuses on the function that adults serve as community role models and mentors in helping to establish social norms. According to this model, factors such as high school graduation rates, employment rates, the fraction of residents who are married with children, and affluence, exert positive social pressure and help children, adolescents, and adults internalize acceptable behavior.

Institutional Model

The institutional model emphasizes the impact of positive role models who, though not necessarily residents of the community, are involved in neighborhood institutions and help to set and reinforce behavioral norms. This model posits that the presence of academic, police, and community organizations influence community success through structured interactions between residents and institutions.

Negative Influences

Relative Deprivation Theory

The theory of relative deprivation posits that residents of a lower socioeconomic background, and youth in particular, define personal success and failure through a process of comparison to more affluent neighbors. Unfavorable self-judgment among poor residents may lead to reduced motivation and effort, and adverse reactions including truancy, dropping out of high school, involvement in crime, and teenage pregnancy.

Competition Model

Much like the relative deprivation theory, the competition model assumes that low-income residents living within relatively prosperous neighborhoods feel that they are unable to compete and, therefore, rebel against social norms. This may explain some of the findings of the MTO demonstration summarized earlier. Higher rates of juvenile crime and lower rates of graduation are important indicators of the effect that competition and relative deprivation can have on neighborhoods.

Social Underclass Theory

The "underclass" is defined as a subset of the poor community, characterized by high levels of poverty coupled with high levels of dysfunctional behavior (Ricketts and Sawhill 1986). Although this broad concept has been measured in varying ways, we adopt the approach of

Ricketts and Sawhill in this study. These researchers used four indicators to capture the underclass concept: male joblessness; female head of household; households receiving welfare; and residents without a high school diploma.

Positive and Negative Influences

Epidemic Model

In the epidemic model, peers influence one another's behavior by creating pressures to conform. Such processes of coercion may result in imitation and contribute to either the spread of problem behavior such as truancy, or encourage adherence to cultural norms like graduating from high school.

Empirical Evidence of Neighborhood Effects

These neighborhood effect theories help to illustrate the complex relationships among individuals, their peers, and their neighborhoods. While empirical research testing these theories is growing, it has been difficult to fully isolate neighborhood effects from other effects, such as schooling, family life, or individual ability or resilience. A brief review of several empirical studies follows. Key features of this empirical work are summarized in Appendix Figure 2.1.

A program of research carried out by Brooks-Gunn et al. (1997) highlights the relationship between social dislocation at the neighborhood level and the perpetuation of socioeconomic inequality. This study considers the effects of neighborhood conditions on social and cognitive development of children between 3-19 years of age. Findings show that: (1) neighborhoods influence individual development most powerfully in early childhood and late adolescence; (2) the concentration of affluence is more important than the concentration of poverty in determining academic achievement and cognitive development, consistent with the affluence theory; and (3) the concentration of male joblessness affects social behavior more than cognitive development, especially among blacks.

Crane (1991) found elevated high school dropout rates among both blacks and whites living in neighborhoods where fewer than five percent of the local workers held professional or managerial positions--results consistent with the epidemic model. Similarly, Vartanian (1999) concluded that children growing up in neighborhoods with an average income above the poverty line had better economic outcomes, including higher average incomes and increased job opportunities, than children raised in economically disadvantaged areas.

Rankin and Quane (2000) found that higher levels of neighborhood poverty negatively affected resident access to social capital--that is, their network of educated or employed contacts and role models. In an earlier study, Quane and Rankin (1998) applied a causal model to understand the consequences of neighborhood disadvantage and family structure on youth expectations. Their research demonstrated that the employment expectations of adolescents are significantly lower in both non-intact and welfare homes in comparison to youth in other households. While not able to confirm a direct effect, the results also indicated that youth from

poor neighborhoods were more likely to downplay the importance of education, supporting the epidemic theory.

As described in Duncan and Raudenbush (1999), a study by James Rosenbaum of families relocated as a result of the Gautreaux court case found that higher adult employment rates and positive child development outcomes were associated with families assigned to suburban areas, compared to those assigned to the city. This analysis lends support to the positive influences of affluence. Research conducted by Krivo and Peterson (1996) suggests that the absence of positive influences (such as residents who hold professional/managerial level jobs), as well as the presence of negative influences (e.g., female-headed households, male joblessness) in a particular neighborhood, contribute to higher levels of crime compared to less disadvantaged areas.

Poverty Thresholds

Popularized in Gladwell's book The Tipping Point (2000), the concept of a "tipping point," when applied to neighborhood poverty rates, suggests the existence of a poverty threshold beyond which neighborhoods will deteriorate rapidly. Below certain rates of poverty, neighborhoods can maintain stable quality even with the presence of crime, drugs, high school dropouts, or gang violence. However, when poverty reaches a certain level, the incidence of these negative behaviors increases rapidly, causing significant deterioration in neighborhood quality.

As stated earlier, HUD designates neighborhood poverty thresholds of 10 percent and 20 percent for the MTO and project-based voucher programs, respectively. However, a tipping point at which neighborhood conditions deteriorate dramatically is not well established in the literature. While a number of researchers suggest a poverty rate of 40 percent (e.g., Ellwood 1998; Jargowsky 1997; Plotnick 1998), there is no consensus as to where the threshold lies. Studies place it anywhere from 15 percent to 54 percent of a neighborhood's population (Galster 2002).

Mitigating Factors

Some research has examined factors that may mitigate the relationship between neighborhood poverty rates and neighborhood quality. Significant attention has been paid to race, focusing on the differences between ghetto poverty, defined as predominantly black neighborhoods of concentrated poverty (typically defined as 40 percent or higher), and other high poverty areas. These studies provide little hard evidence demonstrating the consequences of the combined effects of concentrated poverty and race on neighborhood quality. A study by Massey et al. (1991) lends support to the assertion that the conjunction of high poverty rates and high levels of segregation at the neighborhood level lead to lower resident outcomes. Specifically, Massey shows that residence in a poor neighborhood increases the probability that black women will bear children out of wedlock and that black men will remain jobless. Research by Jones-Webb et al. (1996) reveals that while neighborhood poverty has no effect on alcohol-related problems in Hispanic men, black men in impoverished neighborhoods reported a greater number of alcohol-related problems than white men in a like environment. However,

South and Crowder (1999) show a strong correlation between neighborhood disadvantage and premarital childbearing in white women, but not black women. Counter to Wilson's theory of concentration effects, black women's propensity to marry increases with increasing neighborhood disadvantage. However, this trend reverses itself in the most disadvantaged areas.

Key Findings

The relevant literature offers little insight into the relationship between poverty rates and neighborhood quality, focusing instead on the socioeconomic and developmental consequences of growing up in a poor neighborhood. Few studies have been able to isolate the effects of neighborhood poverty. Those that have made the attempt show little, if any, improvement in the well-being of families who have moved from concentrated poverty into very low-poverty neighborhoods. Findings from the MTO demonstration's first six years show little or no improvement in resident well-being and related outcomes (Orr et al. 2003).

While the body of research on "neighborhood effects" is growing, it has been difficult to fully isolate these effects from other influences, such as schooling, family life, or individual ability or resilience. Several rigorous studies testing neighborhood effects theories strongly suggest that a neighborhood's socioeconomic composition influences outcomes for children, youth, and families. A program of research carried out by Brooks-Gunn et al. (1997) shows that: (1) neighborhoods influence individual development most powerfully in early childhood and late adolescence; (2) the concentration of affluence is more important than the concentration of poverty in determining academic achievement and cognitive development; and (3) the concentration of male joblessness affects social behavior more than cognitive development, especially among blacks.

A tipping point at which neighborhood conditions deteriorate dramatically is not well established in the literature. Ellwood (1998), Jargowsky (1997), and Plotnick (1998) assert a poverty rate of 40 percent. However, other studies offer figures that range from 15 percent to 54 percent of a neighborhood's population (Galster 2002), clearly raising questions as to where this threshold might lie.

Evidence regarding the assertion that race acts as a mitigating factor in the relationship between neighborhood poverty rates and neighborhood quality is contradictory. A study by Massey et al. (1991) suggests that the conjunction of high poverty rates along with high levels of segregation at the neighborhood level lead to lower resident outcomes. However, South and Crowder (1999) show a strong correlation between neighborhood disadvantage and premarital childbearing in white women, but not black women, counter to Wilson's theory of concentration effects.

Appendix Figure 2.1
Review of Literature

Study	Focus	Samples and Data	Objective	Findings
Brooks-Gunn et al. (1997)	Relationship between neighborhood conditions and resident outcomes	Meta analysis of seven studies; Studies used analysis of developmental data sets and U.S.; Census-based neighborhood data	To determine the influence of neighborhood conditions on children's achievement, behavior and mental health	Neighborhood conditions have the greatest effect during childhood and adolescence. Cognitive and achievement measures are positively correlated with spatial concentration of affluence. The concentration of male joblessness affects social behavior, particularly among blacks.
Crane (1991)	Relationship between neighborhood socioeconomic composition and resident outcomes	Survey of 92,512 16-19 year olds (dropout analysis) and 44,466 females (childbearing analysis) from the 1970 U.S. Census	To examine the pattern of neighborhood effects on social conditions (i.e., childbearing and dropout rates)	Percentage of workers in a neighborhood who held professional/ managerial jobs is negatively correlated with childbearing and dropout rates among in both black and white adolescents. Significant increase in both childbearing and dropout probabilities found in neighborhoods with lowest percentage of residents holding professional/ managerial jobs.
Jones-Webb et al. (1996)	Relationship between neighborhood poverty and resident outcomes	Longitudinal survey of 1,150 black, 1,149 Hispanic, and 1,152 white men and women aged 18 and older	To examine relationships between race and ethnicity, neighborhood poverty, and alcohol-related problems	Black men living in more impoverished neighborhoods reported a greater number of alcohol related problems than comparable white men. Neighborhood poverty had little effect on alcohol related problems in Hispanic men.
Krivo and Peterson (1996)	Relationship between neighborhood disadvantage and resident outcomes	1990 Census and crime data for 177 tracts with at least 700 residents in Columbus, Ohio.	To examine the relationship between neighborhood disadvantage and crime rates	The absence of residents who hold professional/managerial level jobs, as well as the presence of female-headed households and male joblessness, contribute to higher levels of crime.
Massey et al. (1991)	Relationship between neighborhood poverty and resident outcomes	1980 Census data for the 50 largest U.S. metropolitan areas	To determine the degree to which neighborhood segregation and poverty affect individual-level outcomes	The concentration of poverty that results from high poverty rates and high levels of segregation increases the probability that black women will bear children out of wedlock and that black men will remain jobless.

Appendix Figure 2.1 (continued)

Study	Focus	Samples and Data	Objective	Findings
South and Crowder (1999)	Relationship between neighborhood poverty and resident outcomes	Data obtained from Panel Study of Income Dynamics (PSID)--a longitudinal data set of approx. 5,000 to 7,000 families linked to U.S. decennial Census data	To examine the effect of neighborhood disadvantage on young women's risk of premarital childbearing and the timing of their first marriage	Non-linear effects of neighborhood disadvantage on white women's premarital childbearing and black women's first pre-birth marriage.
Vartanian (1999)	Relationship between neighborhood poverty and resident outcomes	Data obtained from Panel Study of Income Dynamics (PSID)--a longitudinal data set of approx. 5,000 to 7,000 families linked to U.S. Census data	To examine the how adolescent conditions affect youth employment and economic outcomes	Adolescents living in economically disadvantaged neighborhoods had far lower adult income, wages, and income-to-needs than peers living in slightly more advantaged areas.
Orr et al. (2003)	Relationship between neighborhood poverty and resident outcomes and life chances	Longitudinal random assignment of approximately 4,600 families from five U.S. cities participating in HUD's Moving to Opportunity demonstration program	To test the long-term effects on adult and child well-being when families are relocated from high poverty areas (>40 percent) to low-poverty areas (<10 percent)	No effect of living in low-poverty neighborhoods on educational performance, employment, earnings, household income, food security, and self-sufficiency. Increase in incidences of behavioral problems, smoking, and arrests for property crimes among boys ages 15 to 19. Some positive gains in psychological well-being, lower levels of obesity, and decreased risky behavior among girls as a result of relocating.
Quane and Rankin (1998)	Relationship between neighborhood poverty and resident life chances	Interviews with black mothers and their adolescent children living in Chicago: 997 from poverty tracts and 436 from middle class tracts; 1999 Census of Population and Housing	To determine the direct and mediated effects of neighborhood disadvantage and family structure on youth expectations	Employment expectations of adolescents are significantly lower in both non-intact and welfare homes in comparison to youth in other households. Neighborhood disadvantage is indirectly related to downplaying the importance of education.

Appendix Figure 2.1 (continued)

Study	Focus	Samples and Data	Objective	Findings
Rankin and Quane (2000)	Relationship between neighborhood poverty and resident life chances	Interviews with black mothers and their adolescent children living in Chicago: 997 from poverty tracts and 436 from middle class tracts; 1999 Census of Population and Housing	To examine the effects of neighborhood poverty and family characteristics on social network composition and community involvement	Residents of poorer neighborhoods had fewer college-educated or gainfully employed friends and more who were on public assistance.
Galster (2002)	Threshold effects	Comparative static analysis; meta analysis of empirical studies	To determine the net social benefits and costs of deconcentrating neighborhood poverty	Net social benefit of neighborhood would be improved if neighborhoods with >15% poverty rates were replaced with neighborhoods of <15% poverty. However, the net social benefit would be smaller if neighborhoods with >40% poverty were replaced with neighborhoods having 15-40% poverty rates.

CHAPTER 3
RESEARCH METHODOLOGY

Executive Summary

With little theory to guide our analysis of the effect of neighborhood poverty on neighborhood quality, we utilized a descriptive case study approach of 25 Baltimore neighborhoods, examining both quantitative and qualitative data, to assess whether the neighborhood poverty rate influenced multiple measures of neighborhood quality.

The neighborhoods vary by poverty rate and range from low-poverty (<.20) to middle-poverty (.20-.40) to high-poverty (>.40). The analysis examined roughly 90 measures of neighborhood quality covering eight domains: (1) demographics and socioeconomics; (2) physical environment; (3) social environment; (4) school quality; (5) crime and safety; (6) economic investment; (7) image; and (8) health. Sources of data include last three decennial Censuses; local administrative sources; systematic on-site observations; interviews conducted with residents, arm's length experts, and business owners; and historical newspaper and internet research. The spatial variation in the neighborhood sample allows an examination of whether proximity between poverty and non-poverty neighborhoods has an effect on the relationship between the neighborhood poverty rate and neighborhood quality.

Study Design

As explained in Chapter 2, there has been little previous research on the question of whether the neighborhood poverty rate is a good indicator of neighborhood quality. Therefore, we relied on a descriptive, case-study approach, looking at both quantitative and qualitative data. It should be noted that we studied census tracts rather than neighborhoods officially designated by the Baltimore City Planning Department because that is how most data are reported. Throughout this report, we use the terms "tract" and "neighborhood" interchangeably.

To conduct this project, the class was divided into five teams. Each team investigated five neighborhoods of varying poverty rates in Baltimore. Table 3.1 displays the poverty

Table 3.1
Poverty Ranges for Sample of Neighborhoods

Categorization	Poverty Level	Number of Neighborhoods
Low-poverty	< .20	5
Middle-poverty	.20-.25	5
	.26-.30	5
	.31-.40	5
High-poverty	> .40	5

categories represented by the sample of neighborhoods. Throughout this report, neighborhoods with less than 20 percent poverty are referred to as "low-poverty" neighborhoods, those within the 20 - 40 percent poverty range are referred to as "middle-poverty" neighborhoods, and those

with greater than 40 percent poverty are referred to as "high-poverty" neighborhoods. Appendix Figure 3.1 lists the 25 neighborhoods, by name, census tract number and current poverty rate. The neighborhood sample for this study included more than 10 percent of all city census tracts.

To assess the socioeconomic characteristics and general quality of the neighborhoods, we looked at roughly 90 measures covering a broad array of characteristics, ranging from racial composition to crime rates to teen birth rates (see Appendix Figure 3.2). These measures represent eight domains: (1) demographics and socioeconomics; (2) physical environment; (3) social environment; (4) school quality; (5) crime and safety; (6) economic investment; (7) image; and (8) health.

Characteristics of the Neighborhood Sample

Spatial Variation

The spatial variation of the neighborhood sample is one of its key characteristics. Some study sites are adjacent to each other while others are deliberately dispersed in particular patterns. This spatial variation allowed us to examine whether proximity between poverty and non-poverty neighborhoods has an effect on the relationship between the neighborhood poverty rate and neighborhood quality.

All Tracts Adjacent

We refer to the first neighborhood subsample as the "All Tracts Adjacent" group. As shown in Appendix Figure 3.3, all of these neighborhoods are adjacent to one another, with the low-poverty neighborhood, St. Josephs (.17), and the high-poverty neighborhood, Boyd Booth (.51), located on the outer edges of the grouping.

Poverty Tracts Adjacent, Low-Poverty Tract Not Adjacent

The second subsample is the "Poverty Tracts Adjacent, Non-Poverty Tracts Not Adjacent" group. As shown in Appendix Figure 3.4, the middle- and high-poverty neighborhoods are adjacent, while the low-poverty neighborhood, Lower Hamilton (.18), is separate, located in the northeastern corner of the city.

Mixed Adjacent/Not Adjacent Tracts

The third subsample is the "Mixed Adjacent/Not Adjacent Tracts" group. As illustrated in Appendix Figure 3.5, all of the neighborhoods are relatively near each other, but not all are adjacent. These neighborhoods are located in the east and central parts of the city.

North Avenue Mobility Corridor

The fourth subsample is the "North Avenue Mobility Corridor" group. These neighborhoods were selected to reflect one of the corridors of migration out of the city.

Appendix Figure 3.6 demonstrates how the neighborhoods are clustered around North Avenue, which is represented by the dashed line.

All Tracts Not Adjacent

The final subsample is the "All Tracts Not Adjacent" group. As demonstrated in Appendix Figure 3.7, the neighborhoods are not contiguous and are dispersed throughout the city. The low-poverty neighborhood, Falstaff (.18), is located in the northwest corner of the city adjacent to the county, while the high-poverty neighborhood, Mt. Wynans (.42), is located in the southern part of the city.

Excluded Neighborhoods

Some neighborhoods were intentionally excluded from the study sample. These were the HOPE VI neighborhoods, which are public housing areas undergoing major rebuilding under a HUD program, neighborhoods of extreme wealth, and neighborhoods of extreme poverty.

Neighborhood Data

Appendix Figure 3.2 lists the eight domains or concepts studied, along with their indicators, measures and the sources of these data.

Quantitative Data

Quantitative data were obtained from the Census and local administrative sources.

Census Data

Most of the demographic measures, such as total population, household composition, and employment were obtained from the 1980, 1990, and 2000 decennial Censuses. Most were available at the census tract level. However, teams occasionally used block group data to assess the characteristics of a specific subpart of a neighborhood. This method was particularly relevant in neighborhoods where measures of neighborhood quality appeared to vary significantly across the census tract.

Administrative Data

Administrative data were collected on such neighborhood features as crime rates, school standardized test scores and rates of child abuse and neglect. Sources of administrative data included the Baltimore City Department of Housing and Community Development, the Baltimore City Department of Social Services, the Baltimore City Police Department, the Baltimore City Police Department Juvenile Detention Unit, the Baltimore City Public School System, the Baltimore City Mayor's Office of Information Technology, the Maryland State Department of Education, and the Maryland Department of Health and Mental Hygiene.

Qualitative Data

Qualitative data were obtained from on-site observations, interviews and historical research. These data were used to fill in gaps left by quantitative data alone, to provide supplemental anecdotal knowledge about the neighborhoods, and to assist in interpreting the quantitative results.

On-Site Observations

All teams conducted on-site observations, systematically evaluating 20-100 percent of the streets in each neighborhood, depending on neighborhood size. Two evaluators were present at all times to ensure consistency. On-site observations assessed such features as adequate street lighting, presence of graffiti and trash, and presence of parks and playgrounds. Appendix Figures 3.8 and 3.9 display the standardized forms used for recording observation data.

Interviews

All teams also conducted personal interviews. In total, interviews were conducted with 29 "arm's length experts," 97 residents, and 10 business owners. Arm's length experts are individuals who are knowledgeable about a neighborhood but do not have a vested interest in the neighborhood's success. Respondents were asked such questions as their views of the neighborhoods, accessibility to public transportation, and police presence. (Appendix Figures 3.10 and 3.11 provide the standard protocols used to guide interviews.)

Historical Research

Historical research was conducted by each team to learn about the nature and trends in the city's involvement in the neighborhoods as well as historical impressions of the neighborhoods. Unfortunately, the Baltimore City archives at the Enoch Pratt Free Library were being remodeled at the time of this study. As a result, most of the historical research was conducted through internet searches.

Special Considerations

Four characteristics of this study deserve special mention. These are: (1) adjustment of monetary values; (2) reporting of relevant measures; (3) measuring school quality; and (4) examination of the underclass.

Monetary Values

All monetary values used in this study are adjusted for inflation, using the CPI, and are expressed in year 2000 dollars. The exception is the median residential sales price; since we had median residential sales price data up to 2003, we adjusted this measure to year 2003 dollars.

Reporting of Relevant Measures

Each team examined all of the indicators listed in Appendix Figure 3.2 when assessing the quality of their neighborhoods. However, the neighborhood analysis chapters that follow present only those measures that were relevant to each subgroup of neighborhoods.

School Quality

School quality is an important measure of neighborhood quality because the reputation of a local school often influences opinions of a neighborhood. While there is much debate about the best way(s) to measure school quality, we examined two standardized test measures for which at least some data were available: the Comprehensive Test of Basic Skills (CTBS); and the Maryland School Performance Assessment Program (MSPAP). While we are aware that the CTBS is currently viewed as the more credible of the two tests, there was much missing data in the CTBS series. As a result, we also included MSPAP data, acknowledging that this test has come under increased scrutiny and in fact has been replaced by the Maryland School Assessment.

The Underclass

As described in Chapter 2, Ricketts and Sawhill's (1986) theory of the underclass focuses on four measures: male joblessness; female-headed households; proportion of households receiving welfare; and the proportion of high school dropouts. Though controversial, it is a standard measure in the field. Therefore, this measure was examined as a possible alternative to the neighborhood poverty rate as possibly a stronger marker of neighborhood quality.

Caveats

As is the case with any analysis, our study has a number of weaknesses. These include: the use of non-representative samples; missing and incomplete data; the use of qualitative information from anecdotal interviews; the reliance on census tracts to represent neighborhoods; and the conceptual difficulty in defining and, therefore, measuring neighborhood quality. Despite these weaknesses, we believe the study provides useful and, in fact, unique information on the neighborhood poverty-neighborhood quality nexus.

Appendix Figure 3.1
Case Study Neighborhoods by Census Tract and Poverty Rate

Group	Census Tract	Neighborhood Name	Poverty Rate
All Tracts Adjacent	2007.02	St. Josephs	.17
	2006	Gwynn Falls/Carroll/S. Hilton	.23
	2001	Penrose	.28
	2004	Shipley Hill	.32
	2003	Carlton Ridge/Boyd Booth	.51
Poverty Tracts Adjacent, Low-Poverty Tract Not Adjacent	2707.02	Lower Hamilton	.18
	907	CHM	.25
	908	E. Baltimore/Midway	.26
	1204	Barclay	.35
	904	Better Waverly	.44
Mixed Adjacent/ Not Adjacent Tracts	2602.01	Frankford	.19
	2602.02	Parkside	.24
	2604.02	Cedonia	.27
	805	Darley Park	.35
	802	Broadway East	.53
North Avenue Mobility Corridor	1507.02	Walbrook	.19
	1607	Rosemont-Winchester	.23
	2803.02	W. Forest Park	.27
	1302	Lower End of Reservoir Hill	.33
	1402	Upton	.45
All Tracts Non-Adjacent	2720.01	Falstaff	.18
	2716	Cylburn	.21
	2803.01	Wakefield-Dickeyville	.26
	2502.03	Cherry Hill	.32
	2503.02	Mt. Wynans/Westport	.42

Appendix Figure 3.2
Concepts, Indicators, Measures, and Sources

Concept	Indicator	Measurement	Source
Demographic and Socioeconomic Characteristics	*Poverty levels*	Percent neighborhood poverty	Census 2000, 1990, 1980
	Income	Median household income	Census 2000, 1990, 1980
		Percent income $60,000 or more	Census 2000
	Total population	Total population 2000	Census 2000, 1990, 1980
		Percent change population 1980-2000	Census 2000, 1990 1980
		Percent population ages 0-17	Census 2000, 1990, 1980
		Percent population ages 65 yrs. and over	Census 2000, 1990, 1980
		Median age male	Census 2000, 1990, 1980
		Percent population male	Census 2000, 1990, 1980
	Racial/ethnic composition	Percent black alone	Census 2000, 1990, 1980
		Percent white alone	Census 2000, 1990, 1980
		Percent change black 1980 to 2000	Census 2000, 1990, 1980
		Percent change white 1980 to 2000	Census 2000, 1990, 1980
	Employment	Percent female population 16 yrs. and over in labor force	Census 2000, 1990
		Percent female population 16 yrs. and over and employed	Census 2000, 1990
		Percent male population 16 yrs. and over in labor force	Census 2000, 1990
		Percent male population 16 yrs. and over and employed	Census 2000, 1990
		Percent population age 16-19 not in school, labor force or armed services	Census 2000, 1990

Appendix Figure 3.2 (continued)

Concept	Indicator	Measurement	Source
	Education	Percent of population 25 yrs. and older with:	
		Less than high school	Census 2000, 1990
		High school	Census 2000, 1990
		Some college or Associates degree	Census 2000, 1990
		Bachelor's degree or above	Census 2000, 1990
	Households	Total households	Census 2000, 1990, 1980
		Percent female-headed households, no husband present, with children under 18	Census 2000, 1990, 1980
		Percent grandparents responsible for grandchildren	Census 2000
		Percent married couple families with children under 18	Census 2000, 1990, 1980
	Housing market	Percent households receiving TANF	Maryland Department of Housing and Human Resources (2000)
		Percent households receiving public assistance	Census 2000
		Percent households living in same house since 1995; 1985	Census 2000, 1990
		Homeownership rate	Census 2000, 1990, 1980
		Median residential sales price	Baltimore City Mayors Office of Information and Technology
Physical Environment	*Housing investment/ Municipal development*	Percent structures built since 1980	Census 2000, 1990, 1980
		Percent housing units vacant	Census 2000, 1990, 1980
		# abandoned housing units	Baltimore City Dept. of Housing and Community Development

Appendix Figure 3.2 (continued)

Concept	Indicator	Measurement	Source
Physical Environment	*Housing investment/ Municipal development*	Percent housing units abandoned	Baltimore City Dept. of Housing and Community Development
		Avg. monthly calls for Parks and Recreation	
		Potholes	
		Abandoned vehicles	
		Dirty streets/alleys	
		Illegal dumping	
		Avg. response time for Parks and Recreation	
		Potholes	Baltimore City Department of Sanitation
		Abandoned vehicles	
		Dirty streets/alleys	
		Illegal dumping	
	Upkeep	Broken windows	Observations
		Graffiti	Observations
		Trash	Observations
		Effort for establishing a pleasant décor (flower boxes, lawn maintenance, fresh paint)	Observations
		Abandoned cars	Observations
		Boarded up buildings	Observations
		Unkempt homes (in use)	Observations
Physical Environment	*Presence of undesirable land use*	Vacant lots	Observations
		Highways/Number of major roads through neighborhood	Observations
		Industrial businesses	Observations
	Green space	Presence parks/playgrounds	Observations and interviews
		Utilization of parks/playgrounds	Observations and interviews

Appendix Figure 3.2 (continued)

Concept	Indicator	Measurement	Source
Physical Environment	*Green space*	Cleanliness parks/playgrounds	Observations
		Presence of trees	Observations
	Other	Perceptions of noise level by residents	Interviews
Social Environment	*Level of civic engagement*	Percent registered voters	Baltimore City Board of Elections
	Social organizations and involvement	# community based organizations	Interviews
		Presence of children's programs	Interviews
		Accessibility to daycare programs	Interviews
	Social interaction and neighborliness	# of community social events annually	Interviews
		Frequency of speaking with neighbors	Interviews
		Frequency of socializing with neighbors	Interviews
		Reported presence of role models	Interviews
School Quality	*School performance*	Percent satisfactory 3rd grade CTBS	Baltimore City Public School System
		Reading score	
		Math score	
		Percent satisfactory 7th grade CTBS	Baltimore City Public School System
		Reading score	
		Math score	
		Percent satisfactory 3rd grade MSPAP	Maryland State Department of Education
		Reading score	
		Math score	
		Percent truant grades 1-5	Baltimore City Public School System
		Percent truant grades 6-8	

Appendix Figure 3.2 (continued)

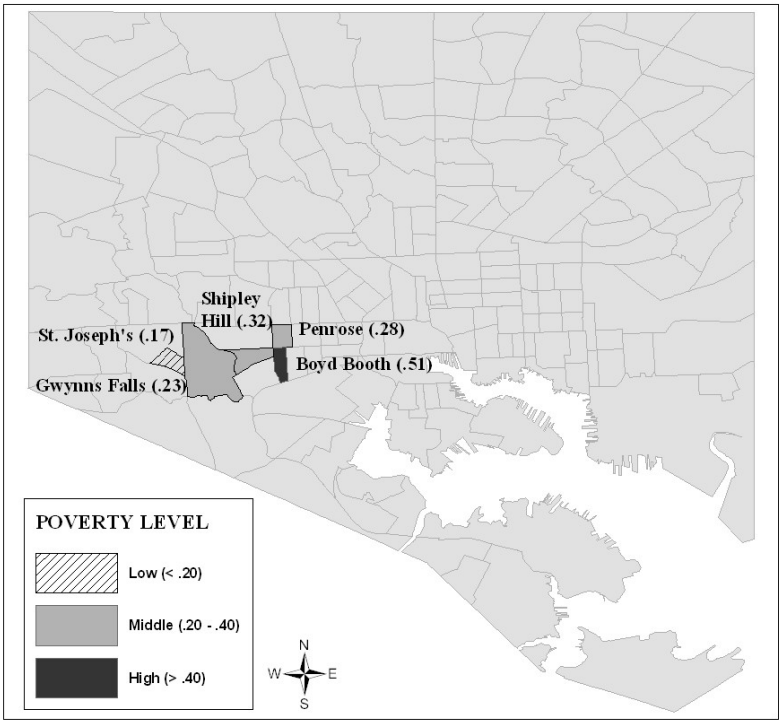
Concept	Indicator	Measurement	Source
School Quality	*School performance*	Percent truant grades 9-12	Baltimore City Public School System
		# after school programs	Baltimore City Public School System
		Adequate supplies	Baltimore City Public School System
			Interviews
			Interviews
Crime and Safety	*Violent crimes*	Total violent crimes	Baltimore City Police Department
		Murder	
		Robbery	
		Aggravated assault	
	Property crimes	Total property crimes	Baltimore City Police Department
		Larceny	
		Burglaries	
		Automotive thefts	
	Juvenile arrests	Total	Baltimore City Police Department, Juvenile Detention Unit
		Violent crimes	
		Drug related	
	Domestic violence	Total number domestic calls for service in 2001	Baltimore City Police Department
	Perceived safety	Presence of police	Interviews
		Fear of crime	Interviews
		Adequate streetlights	Interviews
		Reported impact of drugs and alcohol	Interviews
Economic Investment Value	*Proximity to services and amenities*	Convenience of public transportation	Interviews
		# hospitals/clinics/health centers	Mapping data and interviews
		# schools	Mapping data
		# supermarkets	Observations and interviews
		# liquor stores	Observations and interviews
		# churches	Mapping data

Appendix Figure 3.2 (continued)

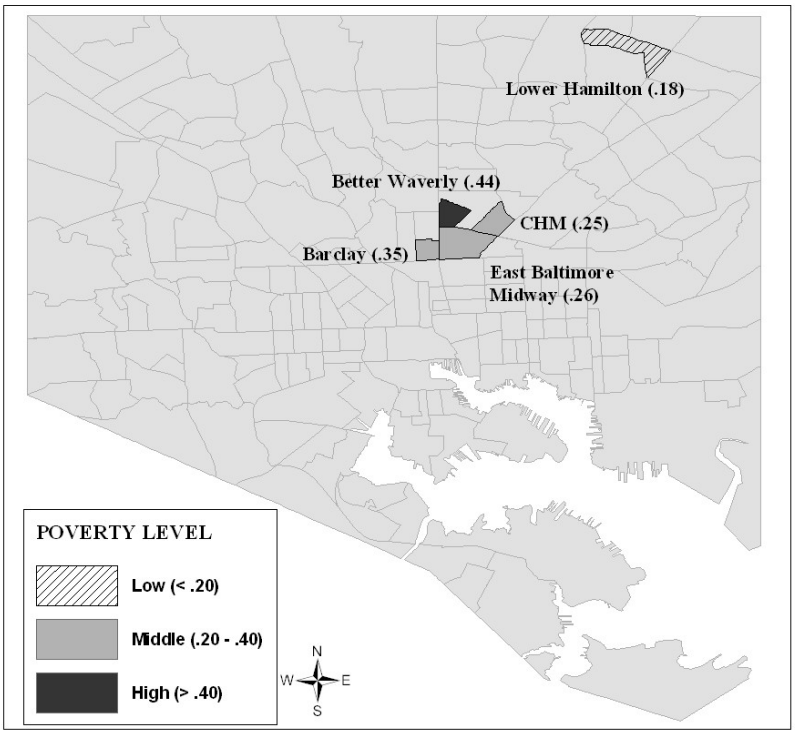
Concept	Indicator	Measurement	Source
Economic Investment Value	*Economic activity*	Residential permits	Baltimore City Department of Housing and Community Development
		Commercial permits	Baltimore City Department of Housing and Community Development
		Home loans	Federal Financial Institutions Examination Council
Image	*Reputation*	Overall resident view	Interviews
		Overall nonresident/expert view	Interviews
		Percent reporting would elect to live in neighborhood	Interviews
		Percent reporting would elect to move out	Interviews
		Reported change in the neighborhood (good versus bad)	Interviews
		Reported neighborhood pride level	Interviews
Health	*Child well-being*	Infant mortality rate	Baltimore City Department of Health and Mental Hygiene
		Percent births weighing less than 5.5lbs	Baltimore City Department of Health and Mental Hygiene
		Percent births with late or no prenatal care	Baltimore City Department of Health and Mental Hygiene
	Child well-being	Child abuse and neglect rate per 1,000 ages 0-17	Baltimore City Department of Social Services
		Lead housing violations	Baltimore City Department of Health and Mental Hygiene
	Teen births	Teen birth rate per 1,000 age 10 to 17	Baltimore City Department of Social Services
		Percent births to teens	Baltimore City Department of Social Services

Note: CTBS = Comprehensive Test of Basic Skills; MSPAP = Maryland School Performance Assessment Program.

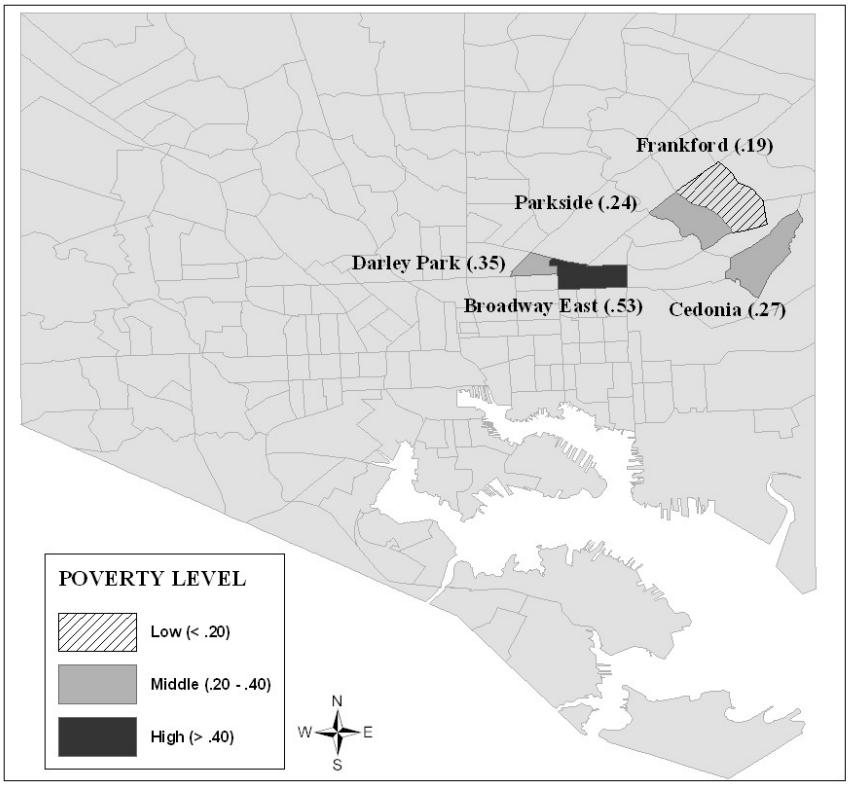
Appendix Figure 3.3
All Tracts Adjacent



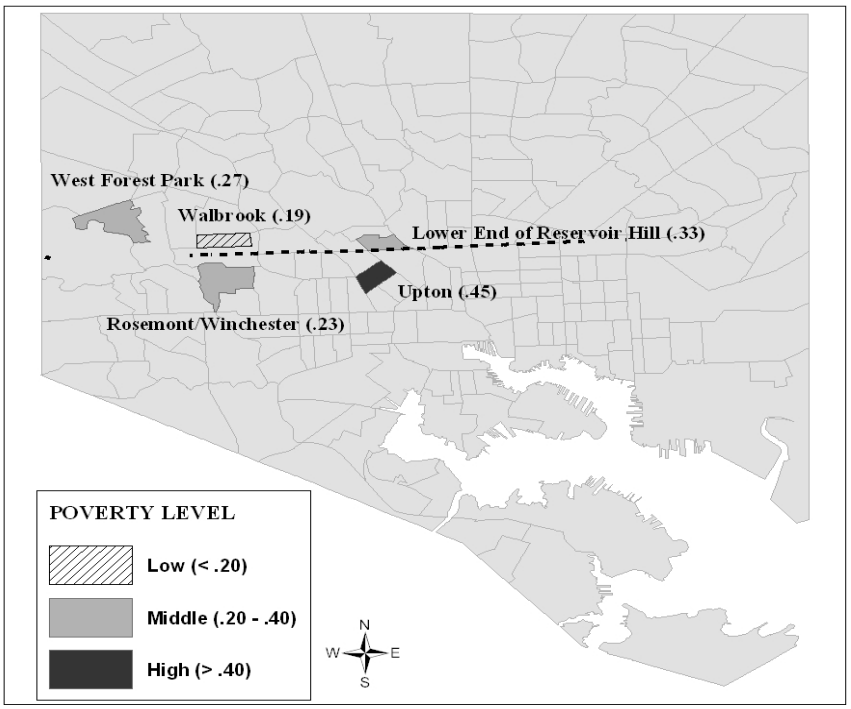
Appendix Figure 3.4
Poverty Tracts Adjacent, Low-Poverty Tract Not Adjacent



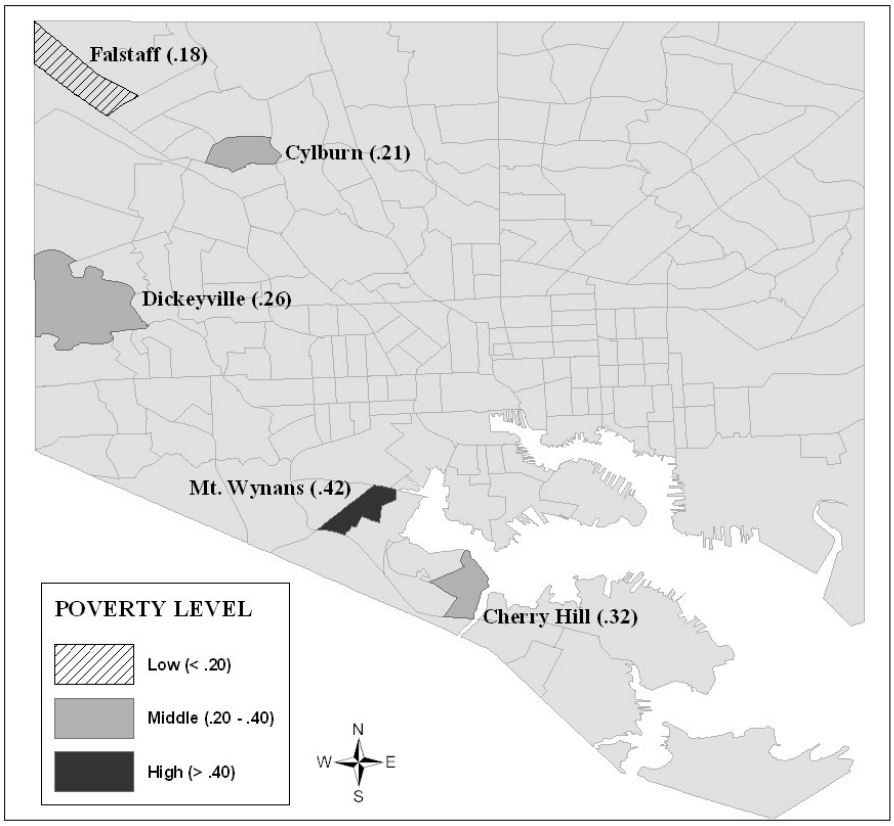
Appendix Figure 3.5
Mixed Adjacent/Not Adjacent Tracts



Appendix Figure 3.6
North Avenue Mobility Corridor



Appendix Figure 3.7
All Tracts Not Adjacent



Appendix Figure 3.8
Observation Data Collection Form I

Data Collection Form for On-Site Street-by-Street Observations

Evaluate on a scale of 1 to 5:
1 = No observation
2 = A few
3 = Some
4 = Many
5 = Overwhelming presence

	Census Tract/Neighborhood:									
Observations	**Streets**					1's	2's	3's	4's	5's
Upkeep										
Broken windows										
Graffiti										
Trash										
Effort to establish a pleasant environment (flowerboxes, lawn maintenance, fresh paint)										
Abandoned cars										
Boarded up buildings										
Unkempt homes (in use)										
Vacant lots										
Neighborhood beautification efforts										
Green Space										
Presence of parks/ playgrounds										
Utilization of parks/playgrounds										
Presence of trees										

Appendix Figure 3.9
Observation Data Collection Form II

Data Collection Form for On-Site Street-by-Street Observations

Evaluate on a scale of 1 to 5:
1 = Poor
2 = Not good
3 = Good or average
4 = Very good
5 = Excellent

	Census Tract/Neighborhood:									
Observations	**Streets**					1's	2's	3's	4's	5's
Green Space										
Condition of streets/sidewalks										
Cleanliness parks/ playgrounds										

Marginal Notes / Unusual Cases:

Appendix Figure 3.10
Resident Interview Protocol

Name of Resident:
Address:

NOTE: First questions in each sub category are considered KEY questions.

Housing:
- How long have you lived here?
- Why did you move here?
- Do you or your family rent or own your apartment/ house?
- HOMEOWNER: Do you believe that your home is an investment?
- RENTER: How long do you see yourself living in this neighborhood?

Amenities:
- Are you close to shopping centers and grocery stores?
- How far are you from work or school and how do you get there?

Perceptions:
- Please tell me how big of a problem the following issues are in your neighborhood:
  - Too many unsupervised teens
  - Illegal drugs
  - Abandoned buildings or vehicles
  - Alcohol abuse
  - Noisy neighbors
- What geographical boundaries do you think encompass your neighborhood?
- What do you think people who live outside your neighborhood say about it?
- How do you think your neighborhood compares to others in Baltimore?
- Overall, do you like or dislike your neighborhood as a place to live (like a lot, like, dislike, dislike a lot)?

Community Relationships:
- Do you think your neighborhood has good role models for children?
- Do you know your neighbors?
- How often do you chat with them about personal matters or do favors for one another? (i.e., lend items, baby-sit)
- Do you have friends in the neighborhood?
- Do you feel a greater connection with your neighborhood than other parts of the city?

Organizations:
- What are the key organizations in the neighborhood?
- What are the major contributions or accomplishments of these organizations?
- Does anyone in your family participate in a neighborhood organization?
- In the last 12 months have you volunteered with a church, school or other neighborhood organization?
- Are there any neighborhood-wide events? Do you participate? Why? Why not?

Appendix Figure 3.10 (continued)

Education:
- Age and number of children in school
- What is the reputation of your local schools?
- Do you feel the schools have enough resources to meet students' needs?

Crime and Safety:
- Do you feel safe in your neighborhood during the day? At night?
- Do you think that crime is getting better or worse in your neighborhood?

Follow Up:
- Is there anything else we should know about your neighborhood?
- Can you refer us to someone who is knowledgeable about the neighborhood and would be willing to speak to us?

Appendix Figure 3.11
Expert and Business Owner Interview Protocol

Name of Person:
Position:
Address:

NOTE: First questions in each sub category are considered KEY questions.

Perceptions:
- What is your general impression of the neighborhood?
- What is the best quality of the neighborhood?
- What is the worst quality of the neighborhood?
- What do you think residents find lacking in the neighborhood?
- What do you think is lacking?
- How do you think people outside the neighborhood perceive the neighborhood?

Organizations:
- What are the key organizations in the neighborhood?
- What are the major contributions or accomplishments of these organizations?

Amenities:
- BUSINESS OWNER: Why did you choose to open a business here?
  - How long have you operated a business in this neighborhood?
  - Have you ever received any assistance from the city or other organizations?
- What types of businesses are present in the neighborhood?
- Do residents have easy access to transportation?

Education:
- Is school quality important to this neighborhood?
- What is the quality of the schools in the neighborhood?
- Do schools have enough resources to meet students' needs?
- Do residents have access to job training or adult literacy programs?

Crime and Safety:
- Do you think this neighborhood is safe?
- Do you feel that your workers and customers are safe when they come to your place of business?
- Do you perceive a crime problem in this neighborhood?

Trends over Time:
- Does the neighborhood have a stable population? Have things changed recently?
- How has the neighborhood's reputation changed over the past 10 years?
- Have there been any major changes in property values of houses or businesses?
- Are you aware of any decisions or actions made by city government that have affected (or will affect) the neighborhood either positively or negatively?

Follow Up:
- Is there anything else we should know about your neighborhood?
- Can you refer us to someone else who is knowledgeable about the neighborhood and would be willing to speak to us?

CHAPTER 4
ALL TRACTS ADJACENT

Executive Summary

This chapter explores the relationship between neighborhood poverty and neighborhood quality in five adjacent census tracts in southwest Baltimore: St. Joseph's (17 percent of residents living below the federal poverty line); Gwynns Falls/Carroll/South Hilton ("Gwynns Falls") (23 percent poverty); Penrose/Franklin Square ("Penrose") (28 percent poverty); Shipley Hill (32 percent poverty); and Carlton Ridge/Boyd Booth ("Boyd Booth") (51 percent poverty).

Few indicators exhibited a linear relationship either with the poverty rate in 2000 alone, or with the poverty rate over time. The lack of correlation between the neighborhood poverty rate and neighborhood quality was most evident in the middle-poverty neighborhoods. For many indicators, Shipley Hill (.32), the highest of the middle-poverty neighborhoods, ranked worse than the highest-poverty neighborhood, Boyd Booth (.51). In addition, the lowest of the middle-poverty neighborhoods, Gwynns Falls (.23), ranked more poorly on several negative quality indicators compared to the other middle-poverty neighborhoods, and Penrose (.28) often ranked better than St. Joseph's (.17) or Gwynns Falls (.23).

No single indicator emerged as a reliable gauge of current neighborhood quality or whether quality may be improving or deteriorating. However, the analysis suggests that involvement of community organizations and economic investment may provide a more realistic portrayal of a neighborhood's quality than the poverty rate alone. The poverty trajectory also is helpful for understanding the variations among the middle-poverty neighborhoods, while the underclass is a better marker of neighborhood quality for only the two highest-poverty neighborhoods.

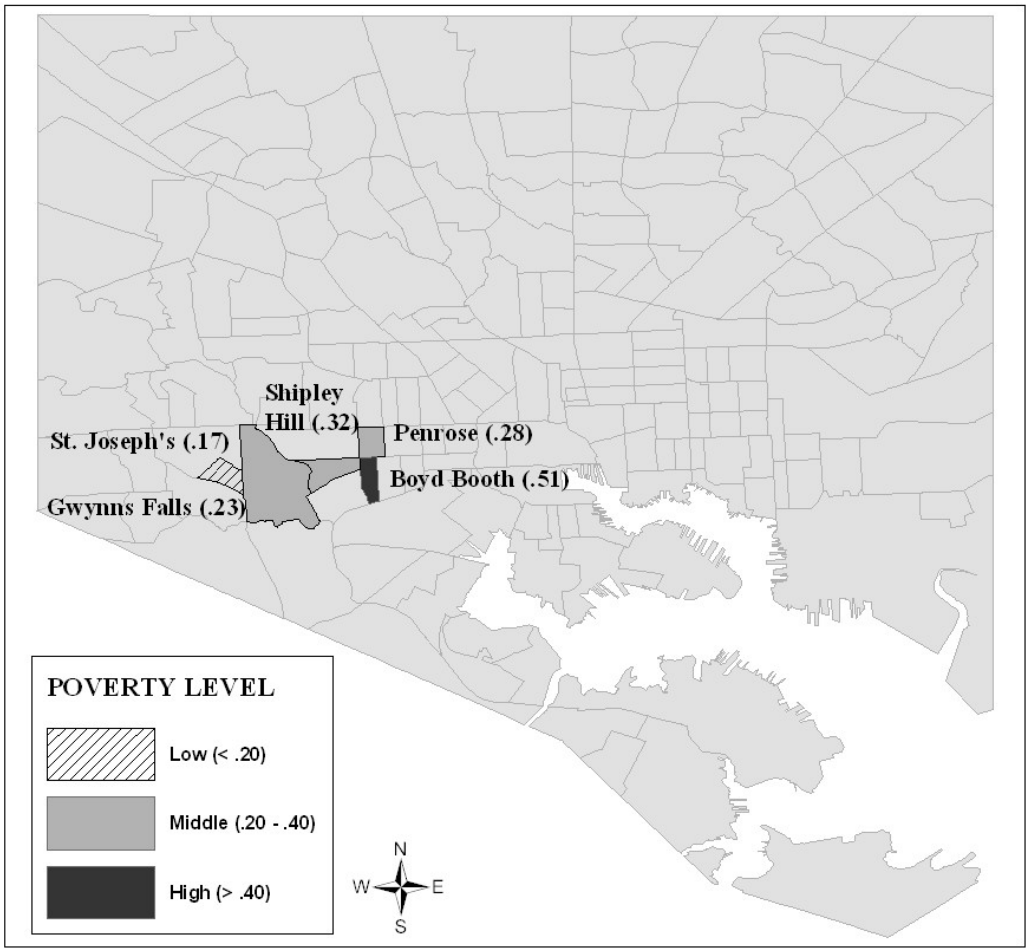
This analysis of more than 90 measures of neighborhood quality also did not provide evidence of a threshold at any poverty rate, contrary to HUD's implicit assumption. Even though St. Joseph's (.17) exhibited high quality overall, we saw no evidence of a precipitous decline in quality indicators between the low-poverty neighborhood and the middle-poverty neighborhoods, as the threshold theory suggests.

There also was no evidence suggesting that age and race were mitigating factors. Additionally, the poverty rates of the surrounding neighborhoods were similar enough to the study neighborhoods that adjacency did not appear to be a mitigating factor.

Neighborhood Locations and Background

In this chapter, we discuss the five adjacent neighborhoods of St. Joseph's, Gwynns Falls/Carroll/South Hilton ("Gwynns Falls"), Penrose/Franklin Square ("Penrose"), Shipley Hill, and Carlton Ridge/Boyd Booth ("Boyd Booth"), which lie in the southwestern section of the city, as shown in Figure 4.1.

Figure 4.1
Geographic Location of Neighborhoods



The lowest-poverty neighborhood and most geographically isolated of the group is St. Joseph's, with a 17 percent neighborhood poverty rate, as shown in Table 4.1. Gwynns Falls,

Table 4.1
Study Neighborhoods, Poverty Rates and Tract Numbers

Neighborhood	Poverty Rate	Census Tract
Low-Poverty		
St. Joseph's	17	2007.02
Middle-Poverty		
Gwynns Falls/Carroll/South Hilton	23	2006.00
Penrose/Franklin Square	28	2001.00
Shipley Hill	32	2004.00
High-Poverty		
Carlton Ridge/Boyd Booth	51	2003.00

Source: U.S. Bureau of the Census (2000).

which borders St. Joseph's to the east, has a poverty rate of 23 percent and covers the largest geographic area. Gwynns Falls Park, located on the east side of Gwynns Falls neighborhood, separates the two lowest-poverty neighborhoods from the three highest. It contains some recreational areas but is not well maintained, with largely overgrown vegetation. East of the park lies Penrose, with a 28 percent poverty rate, Shipley Hill with a 32 percent poverty rate, and Boyd Booth with a 51 percent poverty rate. (In the subsequent sections, each neighborhood's 2000 poverty rate is shown in parentheses following the neighborhood's name.)

Neighborhood History

Historically, small manufacturing outlets were located in southwest Baltimore, with homes built to house factory workers. During World War II, many of the three-story homes in the eastern section of Penrose (.28) were converted into apartments to accommodate incoming workers for the war industry. Ownership of the two-story rowhouses in the western section of this neighborhood remained stable until the 1970s. During this period, absentee landlords bought up vacant buildings and, according to one expert, the neighborhood began to deteriorate around 1985.

These five neighborhoods have received little media coverage. However, one notable exception is the The Corner (Simon and Burns 1997), a book and television mini-series that details the open-air drug market in Penrose (.28) at the intersection of Fayette and Monroe Streets.

Demographics

Each of the five neighborhoods experienced a decline in population between 1980 and 2000, and the three highest-poverty neighborhoods declined in population twice as fast as Baltimore overall in the period from 1990 to 2000. St. Joseph's (.17) is predominantly black and is surrounded by neighborhoods of higher poverty. Gwynns Falls (.23) has the largest overall population and the largest white population of the five neighborhoods, although it has declined significantly since 1980. Between 1980 and 2000, Shipley Hill (.32) and Penrose (.28) remained nearly 100 percent black. Boyd Booth (.51) has transitioned from a poor white neighborhood to a poor black neighborhood since 1980. (Key demographic data are shown in Appendix Table 4.1.)

Preview of Findings

We expected to find a linear relationship between the neighborhood poverty rate and neighborhood quality. Considering the 19 percentage point gap in poverty rates between Shipley Hill (.32) and Boyd Booth (.51), we also expected to see a significant difference in the level of quality between these two neighborhoods. We examined more than 90 measures of neighborhood quality but will discuss only those that were significant for this subsample of neighborhoods.

We found that the lowest-poverty neighborhood, St. Joseph's (.17), ranked highest on most quality indicators, as expected. However, on a sizable number of indicators, it ranked only incrementally better than Gwynns Falls (.23). In the middle-poverty neighborhoods, poverty and

quality were rarely correlated. Moreover, the highest-poverty neighborhood, Boyd Booth (.51), did not consistently exhibit the worst quality. Across several indicators, Shipley Hill (.32), a middle-poverty neighborhood, ranked worse than the highest-poverty neighborhood, Boyd Booth (.51). Additionally, a marked gap in quality between these two neighborhoods was not found, as expected, and, in many indicators, they ranked comparably.

Using poverty data for the year 2000 alone, a few indicators exhibited a linear relationship with poverty rate. However, the only indicators maintaining this relationship over time were those measuring features of the physical environment. The poverty trajectory also provided insights into middle-poverty neighborhoods, and the presence of a social underclass was a good indicator of neighborhood quality for the two highest-poverty neighborhoods.

Based on this analysis, there is no strong evidence to support a threshold or tipping point where quality declines dramatically. While the lowest-poverty neighborhood ranked consistently better than the others in terms of quality, not all neighborhoods above the 20 percent poverty level showed a precipitous decline in all quality indicators. Some evidence, however, suggests that neighborhoods above 40 percent poverty in 2000, or those that were above 40 percent for a sustained time period, rate consistently lower on a number of quality measures even if the neighborhood may have experienced recent declines in poverty.

In these five neighborhoods, neither race, age, nor the poverty rates of neighborhoods immediately adjacent proved to be a mitigating factor in the relationship of neighborhood poverty and neighborhood quality. It was difficult to determine the effect of each neighborhood's poverty rates on the quality of the adjacent neighborhood. Gwynns Falls Park provides a natural barrier between the two lowest-poverty neighborhoods and the three highest, thereby limiting contact and spillover effects. In contrast, the three highest-poverty neighborhoods share many of the same problems and are linked by institutional outreach and community involvement, both of which have had a positive effect on neighborhood quality.

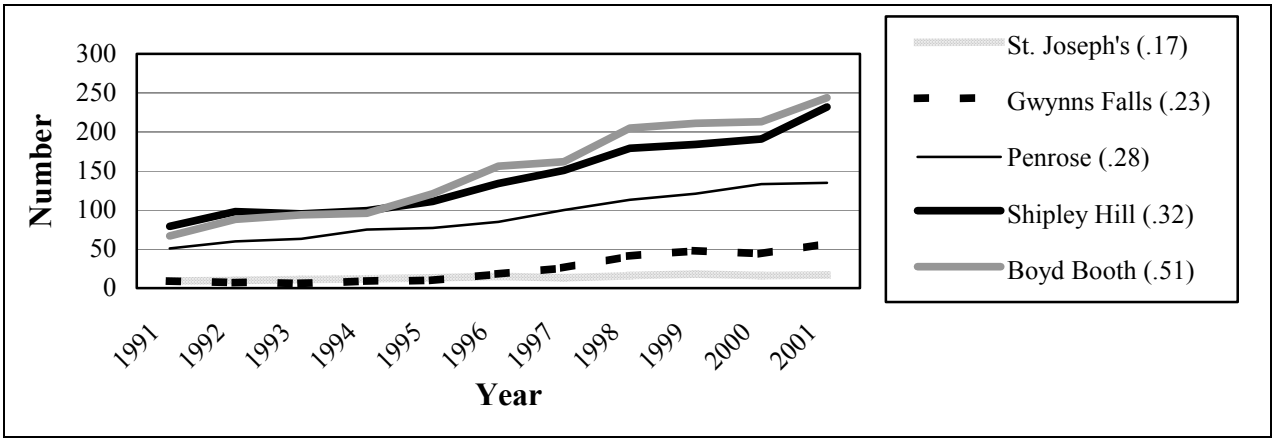
Evidence of Linear Relationships

We examined over 90 quality indicators to determine if quality declined as the poverty rate increased in these five neighborhoods. The next section presents the indicators that exhibited a linear relationship at a static point in time. Few exhibited such linearity, but even fewer maintained this linear relationship between 1980 and present.

Abandoned Housing

As shown in Figure 4.2, the number of abandoned housing units exhibits a fairly smooth linear relationship between 1996 and 2001, increasing in number from low- to high-poverty neighborhoods. But earlier, between 1991 and 1994, the number of abandoned houses in Shipley Hill (.32) exceeded that of Boyd Booth (.51). The number of abandoned houses in Shipley Hill (.32) has been increasing more rapidly in this 10-year period than in Penrose (.28), despite both neighborhoods experiencing a similar decline in their poverty rates. In spite of this past history, on-site observations in the fall of 2003 confirmed a stronger presence of abandoned units in neighborhoods with greater poverty.

Figure 4.2
Abandoned Housing by Neighborhoods, 1991-2001



Source: Baltimore City Department of Housing and Community Development (2002b).

Homeownership

Between 1980 and 2000, the percent of homeowners in a neighborhood and the neighborhood poverty rate maintained a roughly linear relationship; the higher-poverty neighborhoods had the lowest rates of homeownership (see Appendix Table 4.2).

School Quality

In 2000, the Maryland School Performance Assessment Program (MSPAP) and Comprehensive Tests of Basic Skills (CTBS) scores in the Sarah M. Roach Elementary School (located in the lowest-poverty neighborhood) were higher than those in either Frederick Elementary (located in the second highest-poverty neighborhood) or the city (see Appendix Table 4.3). Data were unavailable for Southwestern High School in Gwynns Falls (.23), which has a very poor reputation.

Crime

In 2000, the rate of total violent crimes per 1,000 residents had a generally linear relationship with poverty, with the exception of Penrose (.32), with a crime rate closer to the high-poverty neighborhood than the other middle-poverty neighborhoods (see Appendix Table 4.4). Even this rough linearity disappeared in 2001 and 2002, however, as crime rates in Penrose (.32) dropped dramatically while crime in Gwynns Falls (.23) and Shipley Hill (.38) spiked.

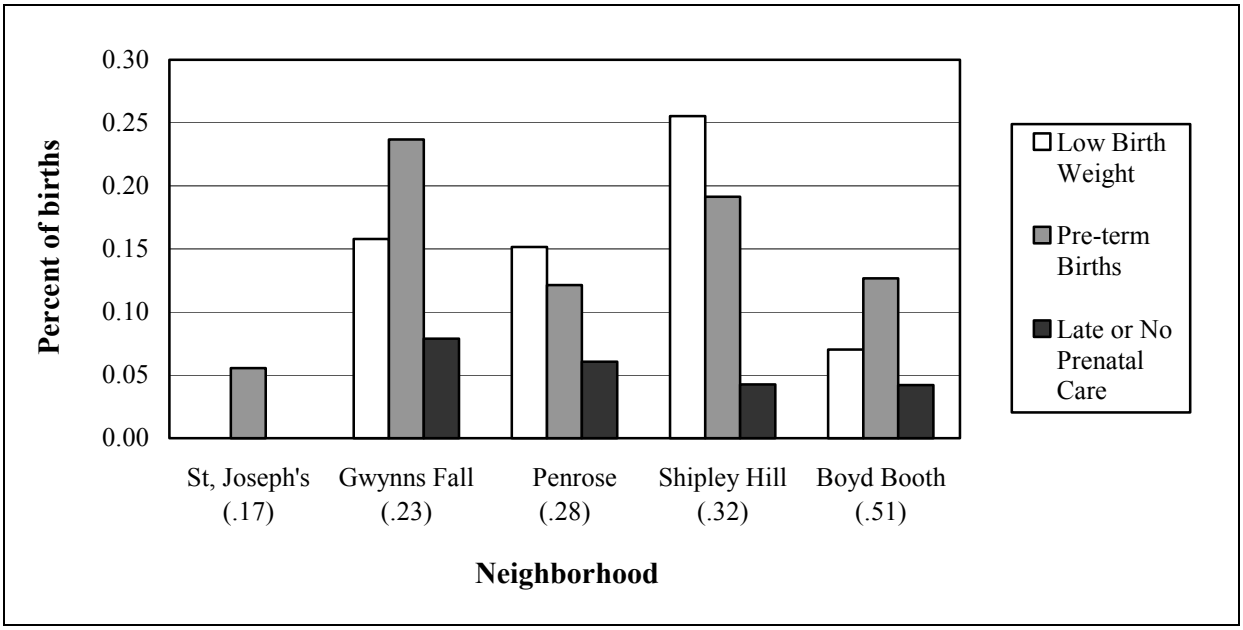
Nonlinear Relationships

While some measures of quality operated as expected in relation to the poverty rate in 2000, most did not. Extreme variation was seen among the middle- and high-poverty neighborhoods.

Child Health and Well-Being

As shown in Figure 4.3, child well-being, defined by three measures--the percent of births with late or no prenatal care, with low birth weight, and that are pre-term--does not exhibit a linear relationship with poverty in 2000. For both low birth weight and pre-term births, Shipley Hill (.32) ranks worse than the highest-poverty neighborhood, Boyd Booth (.51). Gwynns Falls (.23) ranks worse on all three measures than the middle-poverty neighborhood, Penrose (.28). The extreme variation among the middle-poverty neighborhoods shown here is representative of many other indicators we examined.

Figure 4.3
Child Health and Well-Being by Neighborhood, 2000



Source: Maryland Department of Health and Mental Hygiene (2001).
Note: No instances of low birth weight and late or no prenatal care in St. Joseph's.

Juvenile Arrests

Between 1996 and 2002, Shipley Hill (.32), despite being a middle-poverty neighborhood, maintained the highest number of juvenile arrests, ranging between 30 and 43 arrests per 100 youth ages 10-17 (see Appendix Table 4.5). St. Joseph's (.17) generally had the lowest rate of juvenile arrests, followed by Gwynns Falls (.23). Boyd Booth (.51) ranked comparably with the middle-poverty neighborhood, Penrose (.28).

Truancy Rate

As shown in Table 4.2, the truancy rate for students in grades 1-5, 6-8, and 9-12 does not correspond to the poverty rate in 2000. St. Joseph's (.17) had the lowest percentage of truant students in junior and senior high school, but not in elementary school. Boyd Booth (.51) had 71 percent of its junior high school students truant, but was surpassed by all three middle-poverty

neighborhoods for truant high school students. In all three grade categories, Gwynns Falls (.23) had a higher percentage of truant students than Penrose (.28).

Table 4.2
Truancy Rates by Neighborhood, 2000

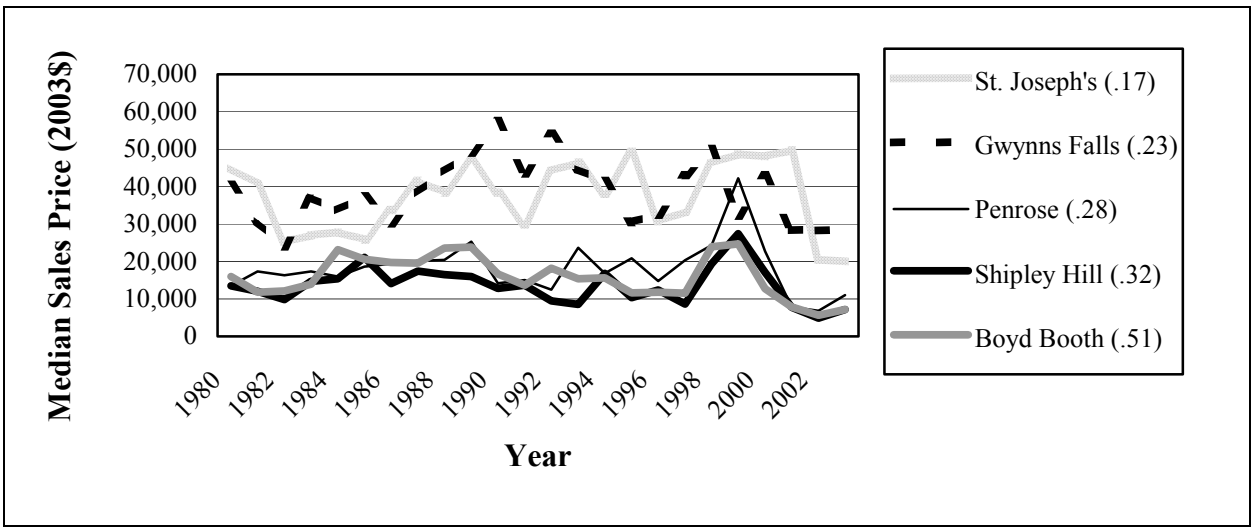
Measure	St. Joseph's (.17)	Gwynns Falls (.23)	Penrose (.28)	Shipley Hill (.32)	Boyd Booth (.51)
Truancy Rate					
Percent of students truant, grades 9-12	0.41	0.61	0.58	0.59	0.55
Percent of students truant, grades 6-8	0.26	0.38	0.33	0.58	0.71
Percent of students truant, grades 1-5	0.06	0.08	0.04	0.09	0.12

Source: Baltimore City Public School System (2003).

Housing Investment

Economists argue that residential sales prices should be among the strongest indicators of neighborhood quality because they capitalize all features of the housing unit and neighborhood, both good and bad. As shown in Figure 4.4, the median residential sales prices, in these neighborhoods, did not display a linear relationship with the neighborhood poverty rate over time. Generally, between 1980 and 2000, the median sales prices were higher in St. Joseph's (.17) and Gwynns Falls (.23) than in the three higher-poverty neighborhoods, as expected. But fluctuations in sales prices do not consistently correspond with increases or decreases in poverty

Figure 4.4
Median Residential Sales Price by Neighborhood, 1980-2003



Sources: Baltimore City Mayor's Office of Information Technology (2000; 2003).

rates for any of the neighborhoods (shown in Appendix Table 4.6). For example, when St. Joseph's (.17) poverty rate fell by 36 percent--from 14 percent in 1980 to 9 percent in 1990--its median sales price did not increase in real terms, and, in fact, fell somewhat.

Social Environment

Community Organizations

Community organization activity appears to be stronger in the higher-poverty neighborhoods (see Appendix Figure 4.1 for community organization information). The two leading organizations are Operation ReachOut SouthWest (OROSW) in the three highest-poverty neighborhoods, and Southwest Seven, a project of Neighborhood Housing Services (NHS), in St. Joseph's (.17) and the Carroll/South Hilton section of Gwynns Falls (.23). These organizations have involved residents in identifying improvements for the neighborhoods and have been recognized by the city as Strategic Neighborhood Action Plans (SNAP). Gwynns Falls (.23), south of Fredrick and east of Caton Streets, is the only neighborhood among the five study sites in this chapter that is not currently served by any outreach efforts.

The Bon Secours of Maryland Foundation (BSMF) provides significant support for OROSW. BSMF serves as an anchor institution for the neighborhoods, providing employment opportunities and social services outreach through its Community Support Center and leveraging investment funding. Echo House Multi-Service Center in the Franklin Square section of Penrose (.28) also provides residents with alcohol and drug abuse counseling and before and after school activities. Six resident interviews and three expert interviews suggested that the activities of these organizations and their programs are largely responsible for recent positive gains in neighborhood quality in the neighborhoods affected by these initiatives.

Economic Investment

The organizations discussed above have also been instrumental in attracting investment to the neighborhoods. To date, the BSMF has helped leverage approximately $285 million in public and private funding for new developments including affordable housing units in the Bon Secours and Hollins Phoenix apartments. Plans are underway for more redevelopment in Gwynns Falls Park, and a town center concept is being considered for unused land in Shipley Hill (.32).

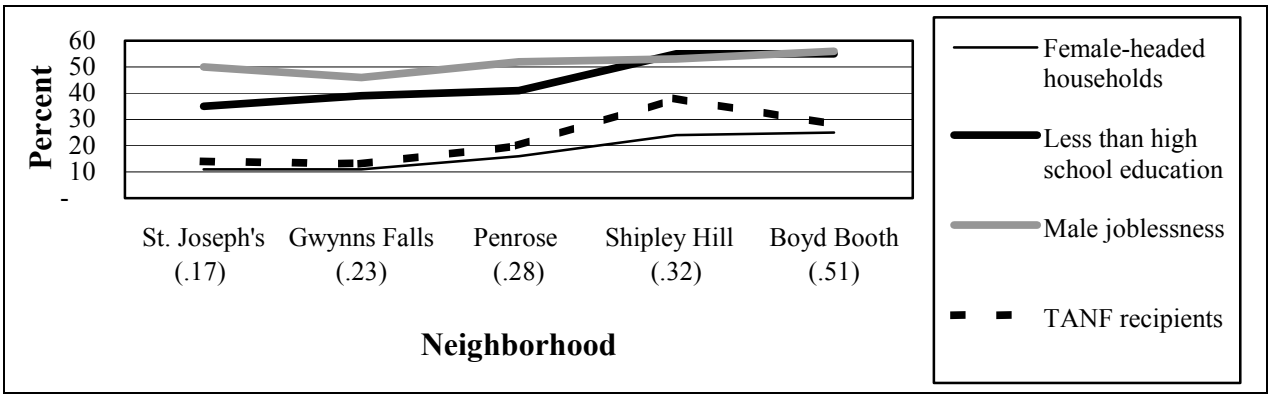
Presence of an Underclass

Underclass Measures and Neighborhood Poverty

Figure 4.5 displays four measures of disadvantage or "underclass"--percent of female-headed households with children under 18; male joblessness; percent of population with less than a high school education; and percentage of people receiving welfare (TANF). By and large, the presence of these underclass features is similar in the two highest-poverty neighborhoods of Shipley Hill (.32) and Boyd Booth (.51), despite their disparate poverty rates. In the case of TANF recipients, Shipley Hill (.32) actually exceeded Boyd Booth (.51) by 10 percentage points.

In the three lowest-poverty neighborhoods, the underclass measures follow a roughly, though not totally, linear pattern by poverty rate. (See Appendix Table 4.7 for more detailed information.)

Figure 4.5
Underclass Measures by Neighborhood, 2000

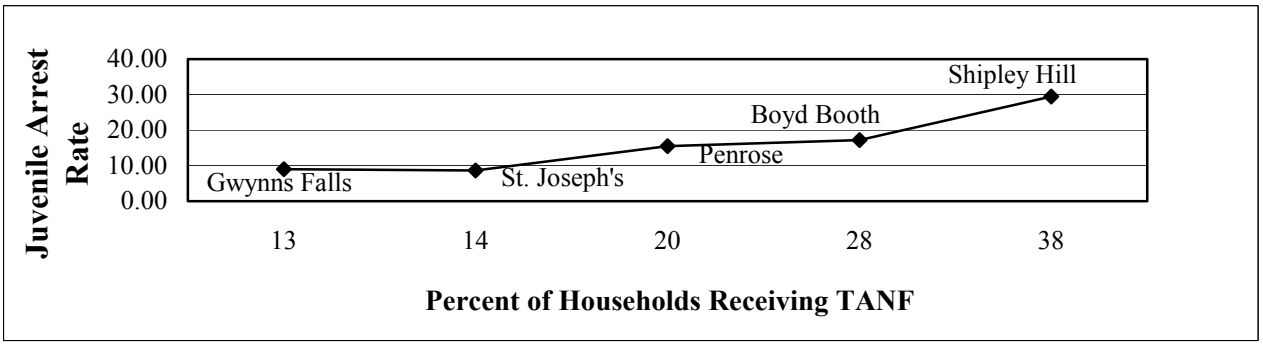


Source: *U. S. Bureau of the Census (2000); Maryland Department of Human Resources (2000).*

The Underclass as a Measure of Neighborhood Quality

In our analysis of more than 90 measures of neighborhood quality, we found that Shipley Hill (.32) and Boyd Booth (.51) often ranked comparably despite their disparate poverty rates. In fact, in many cases, Shipley Hill ranked worse than Boyd Booth. The data on the underclass measures duplicate this pattern, indicating that the underclass may be a better measure of neighborhood quality than the poverty rate for these relatively high-poverty neighborhoods. Figure 4.6 provides one example of the strength of this alternative measure, demonstrating a nearly linear relationship between one measure of neighborhood quality (juvenile arrests) and one measure of the underclass (percent of households receiving TANF).

Figure 4.6
Households Receiving TANF and Juvenile Arrest Rate, 2000

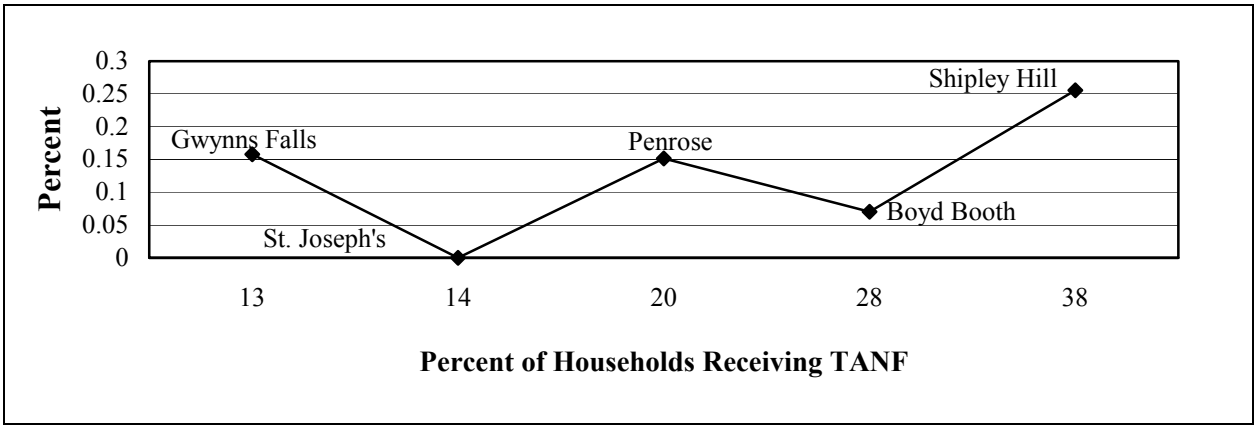


Sources: *Maryland Department of Human Resources (2000); Baltimore City Police Department Juvenile Detention Unit (2002).*

While the underclass measures seem to better capture the quality of the two highest-poverty neighborhoods, compared to the poverty rate, this does not extend to all five neighborhoods. For many other quality measures, including violent crime and homeownership, the three middle-poverty neighborhoods behaved erratically with respect to the underclass. For example, Figure 4.7 displays low birth weight by the percent of households receiving TANF.

Gwynns Falls (.23), with the lowest rate of TANF recipients, had a higher rate of low birth weight than St. Joseph's (.17). Similarly, the percentage of low birth weight in Penrose (.28) exceeds that of Boyd Booth (.51) even though Penrose (.28) has fewer households receiving TANF.

Figure 4.7
Percent of Households Receiving TANF and
Percent Low Birth Weight, 2000



Sources: *Maryland Department of Human Resources (2000); Maryland Department of Health and Mental Hygiene (2001).*

Evidence of Threshold Effects

This analysis did not reveal sufficient evidence to support the theory of a threshold or tipping point at either 20 percent or 40 percent poverty. While the lowest-poverty neighborhood (.17) ranked consistently better on many indicators, the level of quality in the middle-poverty neighborhoods varied and, in some instances, showed only a slight decrease in quality.

Despite anticipating a dramatic difference in quality indicators between the highest-poverty neighborhood (.51) and the next highest-poverty neighborhood (.32), indicators in these two neighborhoods ranked comparably, particularly with respect to underclass measures. On-site observations of both positive and negative measures also did not support the existence of a tipping point at either 20 percent or 40 percent poverty (see Appendix Table 4.8).

Contributions of the Poverty Trajectory

The poverty trajectory (see Appendix Table 4.6) proved to be less useful than anticipated as a potentially stronger marker of neighborhood quality than the 2000 poverty rate alone. On the one hand, the poverty rate in Gwynns Falls (.23) has been steadily increasing over the last 20 years, which may correlate with its poor performance on many quality indicators. But on the other hand, although Penrose (.28) and Shipley Hill (.32) experienced similar declines in their poverty trajectories between 1990 and 2000, quality is increasing in Penrose (.28) while it is declining in Shipley Hill (.32).

Upon closer inspection, we found that Shipley Hill's (.32) poverty rate exceeded 40 percent in 1980 and 1990, while Penrose (.28) exceeded 40 percent in 1990 but has since

returned to a level comparable to 1980. Perhaps the residual effects of having been a very high-poverty neighborhood for a significant period of time may explain why Shipley Hill (.32) lags Penrose so significantly.

Mitigating Factors

Because the median age and the percent of residents over age 65 were similar in all five neighborhoods, age is unlikely to be mitigating the relationship between poverty and quality in any of these neighborhoods (see Appendix Table 4.1). The percent of black residents in St. Joseph's (.17), Penrose (.28) and Shipley Hill (.32) has remained above 94 percent consistently since 1980. Between 1980 and 2000, the percent of blacks in Gwynns Falls (.23) and Boyd Booth (.51) increased from 54 to 61 percent and 27 to 57 percent, respectively. While this may suggest that race could be a mitigating factor in Boyd Booth (.51), it is important to note that this neighborhood has historically been very poor and its increasing poverty rate over time has not coincided with a change in racial composition.

The five case study neighborhoods are surrounded by areas of higher poverty, yet there were no significant signs of spillover from these surrounding areas to our study sites. Five interviews in St. Joseph's suggested that residents are increasingly preoccupied with managing problems that are expanding from other areas, but this was not reflected in the quantitative data. Findings and interviews from the other four sample neighborhoods did not suggest that spillover was a major problem, particularly since the poverty rates of surrounding areas are comparable to the neighborhoods themselves.

It was also difficult to determine the effects of each of these five adjacent neighborhoods on each other. Perhaps Gwynns Falls Park, which provides a natural barrier between the two lowest-poverty neighborhoods and the three highest, limits contact and potential spillover effects. In contrast, the three highest-poverty neighborhoods share many of the same problems and are linked by institutional outreach and community involvement, both of which appear to have had a positive effect on neighborhood quality.

Summary and Conclusions

Among these five sample neighborhoods, we did not find a consistent linear relationship between the neighborhood poverty rate and neighborhood quality. The poverty trajectory also did not perform consistently. However, how long a neighborhood has exceeded 40 percent poverty may help to explain the lag in quality improvement in a neighborhood experiencing a recent decline in poverty. We also did not see widespread evidence of a quality threshold at any poverty rate. Measures of the level of community involvement and economic investment may be more accurate indicators of the quality of these neighborhoods than the poverty rate alone, while evidence on the underclass as an alternative marker is decidedly mixed.

Appendix Table 4.1
Demographic Characteristics by Neighborhood, 1980-2000

Measure	St. Joseph's (.17)	Gwynns Falls (.23)	Penrose (.28)	Shipley Hill (.32)	Boyd Booth (.51)	Baltimore City
Total Population, 2000	1550	2875	2124	2035	2263	651,154
Total Population, 1990	1793	3270	2874	3182	2975	736,014
Total Population, 1980	2100	3632	3390	3473	3158	785,509
Percent change in population, 1990-2000	-0.14	-0.12	-0.26	-0.36	-0.24	-0.12
Percent change in population, 1980-1990	-0.15	-0.10	-0.15	-0.08	-0.06	-0.06
Percent black population, 2000	0.96	0.61	0.98	0.94	0.57	--
Percent black population, 1990	0.95	0.57	0.98	0.95	0.30	--
Percent black population, 1980	0.93	0.54	0.99	0.94	0.27	--
Percent change in white population, 1990-2000	-0.56	-0.26	-0.65	-0.38	-0.58	--
Percent change in white population, 1980-1990	-0.45	-0.14	-0.24	-0.21	-0.11	--
Percent population under age 18, 2000	0.27	0.26	0.28	0.31	0.33	--
Percent population under age 18, 1990	0.27	0.24	0.29	0.33	0.33	--
Percent population under age 18, 1980	0.32	0.27	0.31	0.37	0.35	--
Percent population over age 65, 2000	0.16	0.16	0.15	0.11	0.08	--
Percent population over age 65, 1990	0.11	0.16	0.13	0.08	0.09	--
Percent population over age 65, 1980	0.06	0.11	0.12	0.07	0.10	--

Sources: Geolytics (2000); Wessex (1993); U.S. Bureau of the Census (2000).
Note: -- = not examined.

Appendix Table 4.2
Homeownership Rates by Neighborhood, 1980-2000

Measure	St. Joseph's (.17)	Gwynns Falls (.23)	Penrose (.28)	Shipley Hill (.32)	Boyd Booth (.51)
Homeownership rate, 2000	0.74	0.64	0.40	0.41	0.30
Homeownership rate, 1990	0.74	0.71	0.39	0.26	0.35
Homeownership rate, 1980	0.65	0.68	0.38	0.21	0.34

Sources: Geolytics (2000); Wessex (1993); U.S. Bureau of the Census (2000).

Appendix Table 4.3
School Quality by Neighborhood, 1993-2002

Measure	St. Joseph's (.17) Sarah M. Roach Elem.	Shipley Hill (.32) Frederick Elem.	Baltimore City
MSPAP - Percent Satisfactory			
3rd grade reading scores, 2002	14.3	24.6	12.4
3rd grade reading scores, 2001	29.9	22.2	17.4
3rd grade reading scores, 2000	36.5	15.5	18.5
3rd grade reading scores, 1999	28.2	15.6	15.6
3rd grade reading scores, 1998	16.4	16.9	16.6
3rd grade reading scores, 1997	14.1	4.5	11.8
3rd grade reading scores, 1996	18.0	5.3	11.2
3rd grade reading scores, 1995	14.9	9.2	11.4
3rd grade reading scores, 1994	7.5	12.3	9.2
3rd grade math scores, 2002	20.6	31.1	12.8
3rd grade math scores, 2001	24.6	65.5	20.4
3rd grade math scores, 2000	34.0	17.5	14.3
3rd grade math scores, 1999	39.4	13.4	11.4
3rd grade math scores, 1998	6.3	17.2	13.2
3rd grade math scores, 1997	6.3	4.5	10.8
3rd grade math scores, 1996	10.0	9.3	8.7
3rd grade math scores, 1995	34.3	44.6	15.0
3rd grade math scores, 1994	0.0	12.3	12.4
3rd grade math scores, 1993	18.3	0.0	7.1
CTBS - Median National Percentile			
3rd grade reading scores, 2001	44.0	38.0	41.8
3rd grade reading scores, 2000	42.0	39.0	36.9
3rd grade reading scores, 1999	49.0	22.0	29.5
3rd grade reading scores, 1998	4.0	27.0	29.1
3rd grade math scores, 2001	47.0	32.0	40.97
3rd grade math scores, 2000	32.0	31.0	33.75
3rd grade math scores, 1999	39.0	19.0	21.84
3rd grade math scores, 1998	44.0	29.0	23.38

Sources: Maryland State Department of Education (2003); Baltimore City Public School System (2002).
Note: MSPAP = Maryland State Performance Assessment Program, CTBS = Comprehensive Test of Basic Skills.

Appendix Table 4.4
Violent Crime by Neighborhood, 2000-2002

Measure	St. Joseph's (.17)	Gwynns Falls (.23)	Penrose (.28)	Shipley Hill (.32)	Boyd Booth (.51)
Violent crime per 1,000 residents (number)					
2002	11.6 (28)	29.6 (109)	14.6 (43)	44.0 (97)	30.0 (99)
2001	17.4 (35)	19.8 (83)	13.2 (45)	35.4 (92)	35.4 (117)
2000	11.0 (26)	14.3 (64)	26.4 (83)	22.6 (91)	27.8 (110)

Source: Baltimore City Police Department (2002).

Appendix Table 4.5
Juvenile Arrests by Neighborhood, 1996-2002

Measure	St. Joseph's (.17)	Gwynns Falls (.23)	Penrose (.28)	Shipley Hill (.32)	Boyd Booth (.51)
Juvenile arrests per 100 youths age 10-17					
2002	12.99	21.91	33.66	39.42	21.64
2001	3.94	8.02	29.13	31.95	19.88
2000	8.66	8.95	15.53	29.46	17.25
1999	12.20	12.65	19.74	36.93	18.42
1998	12.99	9.57	22.33	39.83	21.64
1997	9.45	10.19	21.36	43.15	23.68
1996	14.96	9.88	26.54	36.10	23.39

Source: Baltimore City Police Department Juvenile Detention Unit (2002).

Appendix Table 4.6
Poverty Rate by Neighborhood, 1980-2000

Poverty Rate	St. Joseph's (.17)	Gwynns Falls (.23)	Penrose (.28)	Shipley Hill (.32)	Boyd Booth (.51)
2000	0.17	0.23	0.28	0.32	0.51
1990	0.09	0.20	0.45	0.46	0.38
1980	0.14	0.15	0.26	0.43	0.32

Sources: Geolytics (2000); Wessex (1993); U.S. Bureau of the Census (2000).

Appendix Figure 4.1
Community Organizations

Community Organizations	Purpose	Operating Budget	Leadership
Bon Secours of Maryland Community Foundation	Provides resources for community improvement efforts from housing assistance to GED programs	$1,686,637	George Kleb, Executive Director
Echo House Multi Service Center	Provides direct services including drug and alcohol abuse counseling and out of school time programs	$1,163,923	Janice Lockwood, Executive Director
Operation ReachOut SouthWest (OROSW)	A coalition of neighborhood associations and community organizations providing strategic planning for southwest Baltimore	NA	Joyce Smith, Project Director
Communities Organized to Improve Life (COIL)	Providing affordable housing, a senior center and the Learning Bank	$1,100,000	Judith Bennick, Executive Director
Community Law Center	Provides legal services to low-income residents	$918,998	Anne Blumenberg, Executive Director
Southwest Seven- Neighborhood Housing Services	Promotes neighborhood revitalization by fostering community leadership and affordable housing	$2,136,265	Dorothy Dobbyn, Neighborhood Director
Community Impact!	Works with OROSW to provide scholarships to community youth	$152,894	Michael Austin, Executive Director

Sources: City of Baltimore (2002); Guidestar (2003).

Appendix Table 4.7
Underclass Measures by Neighborhood, 1980-2000

Measure	St. Joseph's (.17)	Gwynns Falls (.23)	Penrose (.28)	Shipley Hill (.32)	Boyd Booth (.51)
Female-headed households					
Percent of female-headed households with kids under 18, 2000	0.11	0.11	0.16	0.24	0.25
Percent of female-headed households with kids under 18, 1990	0.20	0.18	0.26	0.34	0.25
Percent of female-headed households with kids under 18, 1980	0.20	0.14	0.23	0.32	0.19
TANF					
Percent families receiving TANF, 2000	0.14	0.13	0.20	0.38	0.28
High school education					
Percent of population with less than high school education, 2000	0.35	0.39	0.41	0.55	0.55
Percent of population with less than high school education, 1990	0.36	0.49	0.64	0.56	0.66
Male joblessness					
Percent males without jobs, 2000	0.50	0.46	0.52	0.53	0.56
Percent males without jobs, 1990	0.45	0.43	0.56	0.52	0.55
Percent of males ages 16-19 not in labor force, school, or armed services, 2000	0.11	0.19	0.04	0.10	0.22

Sources: Geolytics (2000); Wessex (1993); U.S. Bureau of the Census (2000); Maryland Department of Human Resources (2000).

Appendix Table 4.8
On-site Observations by Neighborhood, 2003

Measures	St. Joseph's (.17)	Gwynns Falls (.23)	Penrose (.28)	Shipley Hill (.32)	Boyd Booth (.51)
Broken windows	1.4	1.2	1.8	2.7	2.3
Graffiti	1.2	1.0	1.8	1.8	2.3
Trash	2.0	1.4	2.8	2.7	3.4
Boarded buildings	1.8	1.4	2.8	3.7	3.9
External disrepair	2.4	1.6	2.0	3.0	1.9
Vacant lots	1.4	1.6	2.4	2.0	2.3
Street lights	2.6	3.2	3.0	2.0	3.0
Trees	3.2	2.6	1.8	1.8	1.7
Beautification efforts	4.6	1.8	1.2	1.8	1.9
Sidewalks	2.0	3.4	3.0	2.0	2.9
Undesirable land use	1.0	5.0	2.0	3.0	2.0
Parks	1.0	5.0	2.0	1.0	2.0
Trash	1.0	1.0	3.0	1.0	2.0
Supermarkets	2.0	3.0	3.0	3.0	4.0
Corner stores	2.0	2.0	4.0	2.0	3.0
Restaurants	1.0	3.0	1.0	1.0	3.0
Retail/business	2.0	3.0	3.0	2.0	3.0
Total number of streets observed	5.0	5.0	5.0	5.0	10.0

Source: On-site observation of 30 streets (2003).
Note: Rated on a scale where 1=No presence; 5=Overwhelming presence.

CHAPTER 5
POVERTY TRACTS ADJACENT, LOW-POVERTY TRACT NOT ADJACENT

Executive Summary

The five neighborhoods examined in this chapter include four adjacent neighborhoods with poverty rates exceeding 20 percent--Coldstream-Homestead-Montebello ("CHM") (.25), East Baltimore Midway ("Midway") (.26), Barclay (.35), and Better Waverly ("B. Waverly") (.44)--and the not-adjacent Lower Hamilton ("L. Hamilton") (.18) neighborhood, whose poverty rate falls below 20 percent. This spatial grouping was chosen to see whether the poverty level of adjacent neighborhoods bears on the relationship between neighborhood poverty and neighborhood quality. A linear relationship between poverty and quality was evident in only a few socioeconomic indicators, but the vast majority of indicators across multiple domains did not exhibit this pattern. Though the middle-poverty neighborhoods displayed worse quality than the low-poverty neighborhood, the high-poverty neighborhood consistently performed as well as, or better than, the middle-poverty neighborhoods. Other indicators such as school quality and some measures of economic investment showed no relationship with the poverty rate. Some quality indicators, such as median residential sales price, suggested a possible threshold or tipping point at 20 percent poverty beyond which quality declined markedly.

These five neighborhoods suggest that adjacency may be a mitigating factor affecting neighborhood quality. For example, a portion of the high-poverty neighborhood that is adjacent to higher quality neighborhoods exhibits higher quality than its poverty rate would lead us to expect. Although we expected the poverty trajectory to be a better marker of quality, the evidence for these five neighborhoods did not support this view. In addition, the four underclass measures did not appear to be better indicators of neighborhood quality for these five neighborhoods.

Neighborhood Locations and Background

Table 5.1 provides a listing of the five neighborhoods that are the focus of this chapter, along with their 2000 poverty rate and census tract number.

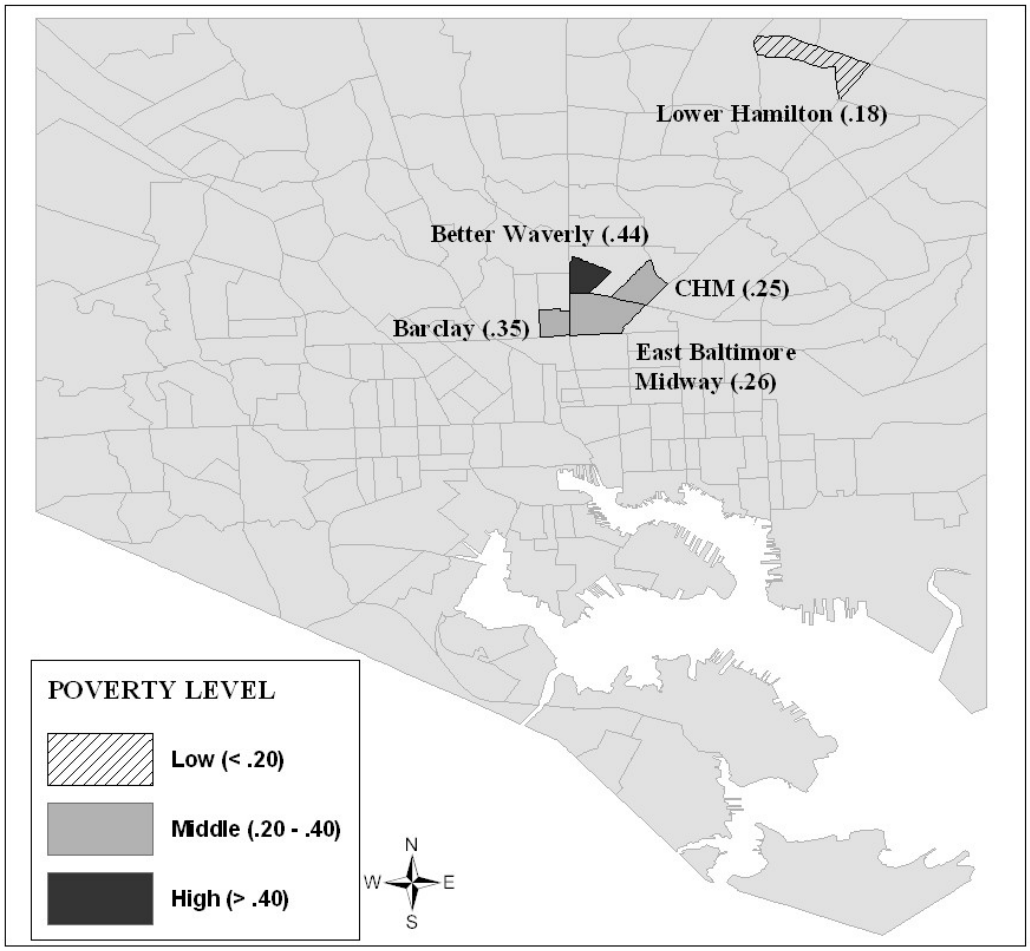
Table 5.1
Study Neighborhoods, Poverty Rates and Tract Numbers

Neighborhood	Poverty Rate	Census Tract
Low-poverty neighborhood		
Lower Hamilton	18	2707.02
Middle-poverty neighborhoods		
CHM	25	0907.00
Midway	26	0908.00
Barclay	35	1204.00
High-poverty neighborhood		
Better Waverly	44	0904.00

Source: U.S. Bureau of the Census (2000).

As shown in Figure 5.1, B. Waverly (.44), Barclay (.35), Midway (.26) and CHM (.25) are adjacent to each other and are located in the center of Baltimore just east of the Johns Hopkins Homewood campus. The low-poverty neighborhood, L. Hamilton (.18), is not adjacent to the other neighborhoods and is located in the northeastern part of the city, closer to the Baltimore county line.

Figure 5.1
Geographic Location of Neighborhoods



Barclay (.35) and Midway (.26) are bordered on the south by North Avenue and on the north by East 25th Street. Barclay is bordered on the west by St. Paul Street. The eastern border of Midway is Harford Road. Greenmount Avenue separates Barclay and Midway, serving as the eastern border of Barclay and the western border of Midway. Greenmount Avenue also serves as the western border of B. Waverly. Loch Raven Boulevard curves to form the southern and eastern borders of B. Waverly; the northern border is Montpelier Street. CHM is bordered on the south by Harford Road at the eastern edge and Kirk Avenue on the west, while The Alameda forms CHM's northern border. L. Hamilton (.18) is bordered by Northern Parkway on the north, Perring Parkway on the west, Harford Road on the east and Westfield Avenue on the south. The following descriptions of these neighborhoods are based largely on published references,

interviews with neighborhood experts, and on-site observations of the physical environment in each neighborhood.

Lower Hamilton (L. Hamilton) (.18)

The neighborhood we refer to as L. Hamilton in this chapter actually consists of portions of three neighborhoods: Harford-Echodale/Perring Parkway; Christopher; and Westfield. L. Hamilton is the lowest-poverty neighborhood among our five study sites, but its poverty rate has increased steadily, from 5 percent in 1980, to 9 percent in 1990, to 18 percent in 2000, as shown in Table 5.2. All but one neighborhood adjacent to L. Hamilton have poverty rates of less than 20 percent. L. Hamilton has traditionally been a white, working-class community, but its racial composition has changed from roughly 30 percent black residents in 1980 to more than 50 percent in 2000. Primarily residential, houses in L. Hamilton are mostly single-family homes with yards. Housing styles in the neighborhood range from two-story bungalows to three-story Victorians (Hamilton Hills Community Association 2003). Harford Road has historically been an artery in and out of the city and lined with businesses, but recently has seen a decline in economic growth, with the number of commercial permits dropping from almost 40 in 1994 to 10 in 2000 (Baltimore City Department of Housing and Community Development 2001; 2002a).

Table 5.2
Poverty Rate by Neighborhood, 1980-2000

Year	L. Hamilton (.18)	CHM (.25)	Midway (.26)	Barclay (.35)	B. Waverly (.44)
2000	0.18	0.25	0.26	0.35	0.44
1990	0.09	0.19	0.29	0.33	0.39
1980	0.05	0.29	0.30	0.42	0.19

Sources: Geolytics (2000); Wessex (1993); U. S. Bureau of the Census (2000).

Coldstream-Homestead-Montebello (CHM) (.25)

The poverty rate of CHM fell substantially between 1980 and 1990, from 29 percent to 19 percent, but then rose again to 25 percent in 2000, as indicated in Table 5.2. CHM was named for three predominant estates in the area during the 19th century. The Friends Cemetery, established by Quakers who originally settled in the area, still exists. The neighborhood is primarily residential, with commercial activity concentrated along Harford Road, and encompasses City College, a competitive high school (Lewand 1989).

East Baltimore Midway (Midway) (.26) and Barclay (.35)

In the late 19th century, North Avenue served as the northern boundary of the city, sometimes called Boundary Avenue. Although Midway (.26) and Barclay (.35) were historically more industrial than adjacent residential neighborhoods, all shared similar demographic characteristics. The neighborhoods primarily housed white, blue collar workers. From the 1940s through the 1970s, whites and middle- and upper-class black families left in great numbers for safer, more comfortable neighborhoods (Institute for Policy Studies 2000). Greenmount Avenue divides the two neighborhoods and is lined with retail shops and businesses. Economic

development plans have been discussed to revitalize North Avenue, but no action has been taken yet.

The poverty rates of both Midway and Barclay declined between 1980 and 2000, though Barclay experienced a modest increase between 1990 and 2000, as shown in Table 5.2. In 1980, Barclay had a poverty rate above 40 percent, classified as high-poverty in this study, but has since remained below that level. Though the 2000 census reports that 60 percent of residents in each of these neighborhoods have lived in the same house for five or more years (see Appendix Table 5.1), most residents are renters. Neighborhood-based organizations are focusing efforts on restoring single-family housing and creating affordable units for families.

Better Waverly (B. Waverly) (.44)

Since 1980, the poverty rate has more than doubled in B. Waverly (.44), as indicated in Table 5.2. Traditionally blue collar, white residents began leaving the historic village of Victorian homes, duplexes and rowhouses in the 1960s as black families began to move in. The Waverly Improvement Association, a community organization intending to manage issues of housing and racial change, marked 33rd Street as its southern boundary, creating a social rift with other residents who disagreed with them. As a result, the southern part of Waverly excluded itself from its other half, and renamed itself B. Waverly. The social rift still exists today. Close to the Greenmount shopping district and home to Memorial Stadium, the Waverly-B. Waverly area prospered economically through the 1980s. Economic decline hit almost immediately in 1991 when the stadium closed. The old stadium site became a place of crime, loitering and graffiti, making many residents uncomfortable (Chalkley 2003). However, redevelopment is underway and construction of a retirement home and YMCA facilities are to be completed by Spring 2004.

Despite a 25 percentage point increase in the poverty rate from 1980 to 2000, most quality indicators in B. Waverly have not significantly declined over the past 20 years. This may be explained by the concentration of poverty in the southwestern part of the neighborhood, or by the active Better Waverly Community Organization and Chesapeake Habitat for Humanity. B. Waverly's population is more diverse than adjacent neighborhoods and residents are actively engaged in the neighborhood organizations. Community members' camaraderie and concern for their neighborhood was particularly evident in early 2003 when about 40 residents rallied to protest the supermarket under construction (Chalkley 2003).

Preview of Findings

We found no consistent relationship between neighborhood poverty and neighborhood quality across a majority of the indicators examined. The high-poverty neighborhood, B. Waverly (.44), displayed quality similar to--or better than--that of the middle-poverty neighborhoods across most indicators. We saw evidence of a possible 20 percent threshold in median residential property sales prices and in some socioeconomic and health indicators. Although the poverty trajectory was not a strong marker of neighborhood quality, the quality of surrounding neighborhoods seems to play some role in the relationship between neighborhood poverty and quality.

No Evidence to Support a Linear Relationship

We had expected to find that the low-poverty neighborhood would display higher quality across multiple indicators than the middle-poverty neighborhoods, which would, in turn, rank higher on quality than the high-poverty neighborhood. Few measures conform to this linear pattern. Those that did were socioeconomic indicators highly correlated with the poverty rate such as male employment, male participation in the labor force, and affluence (see Appendix Table 5.1). In the large majority of cases, the high-poverty neighborhood consistently performed as well as, or better than, the middle-poverty neighborhoods.

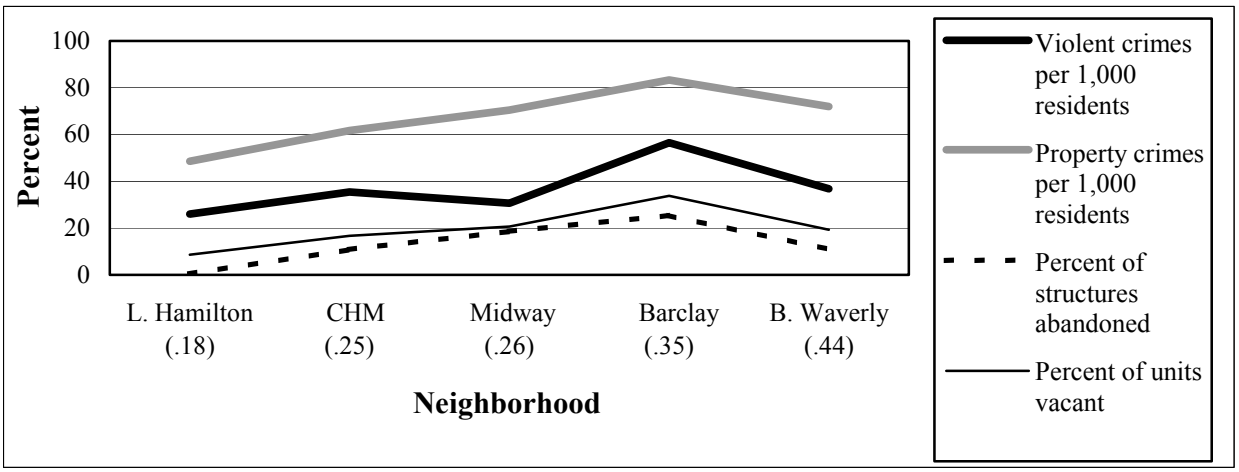
Population

Total population in all five neighborhoods decreased since 1990 (see Appendix Table 5.2), and, as expected, the percent decline in population was lowest in low-poverty neighborhood and higher in the middle-poverty neighborhoods. But contrary to expectation, the high-poverty neighborhood lost a smaller fraction of its population than one middle-poverty neighborhood, Barclay (.35): 17 percent compared to 36 percent, respectively.

Crime and Physical Environment

Most indicators of physical environment (abandoned housing, vacant housing, broken windows, signs of obvious physical disrepair, and presence of trees) and crime (truancy, juvenile drug arrests, property crimes and violent crimes) rate as well, or better, in the high-poverty neighborhood than the middle-poverty neighborhoods (see Appendix Tables 5.3, 5.4, and 5.5). As shown in Figure 5.2, the percent of abandoned and vacant structures, as well as violent and property crime rates, generally increase as one moves from the low- to the middle-poverty neighborhoods, upholding the hypothesis that quality declines as the poverty rate increases.

Figure 5.2
Crime and Physical Environment Measures
by Neighborhood, 2000



Sources: Baltimore City Police Department (2002); Baltimore City Department of Housing and Community Development (2002b); U.S. Bureau of the Census (2000).

However, the high-poverty neighborhood clearly does not adhere to this pattern, illustrated by the significant drop in each quality measure in the high-poverty neighborhood. Instead, the measures for the high-poverty neighborhood fall in the same range as, or below, the measures in the middle-poverty neighborhoods.

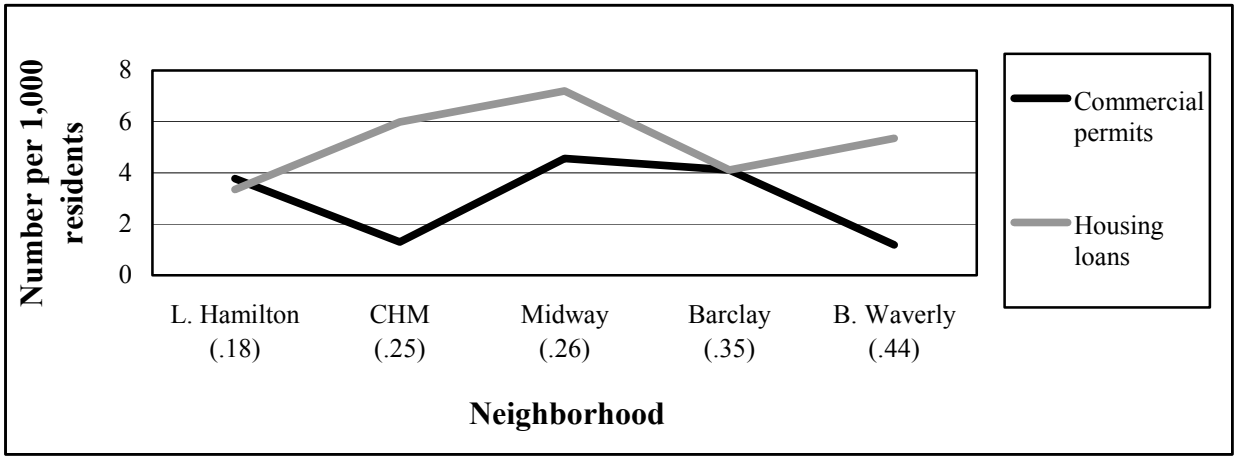
Social Environment

Active community development corporations and neighborhood-based organizations were more evident in the low- and high-poverty neighborhoods than the middle-poverty neighborhoods. (These are described in Appendix Figure 5.1.) A Main Streets program for Greenmount Avenue between 35th Street and 28th Street is bringing new resources to the northern part of the high-poverty neighborhood. Though the middle-poverty neighborhoods benefit from organizations such as the People's Homesteading Group, they appear to have lower budgets than groups in the high-poverty neighborhood. The activism of community organizations including the Better Waverly Community Organization, the Chesapeake Habitat for Humanity, and the Waverly Family Center may be partly responsible for the high-poverty neighborhood's unexpectedly high quality. The longstanding rivalry with the adjacent Waverly neighborhood, however, may also motivate residents to be more involved in their community.

Economic Investment

Figure 5.3 displays two measures of economic investment: commercial permits and aggregate housing loans. The relationship between these measures and the poverty rate is erratic, not lending itself to interpretation.

Figure 5.3
Economic Investment by Neighborhood, 2000



Sources: Baltimore City Department of Housing and Community Development (2001; 2002a); Federal Financial Institutions Examination Council (2003).

School Quality

Unfortunately, school quality measures of third grade MSPAP and CTBS scores were unavailable for two of the five study sites--one middle-poverty, and the highest-poverty neighborhood (see Appendix Table 5.6). In the remaining three neighborhoods, the relationship between school quality and the poverty rate is not what was expected. The schools in two

middle-poverty neighborhoods--Cecil Elementary in Midway (.26) and Dallas F. Nicholas Elementary in Barclay (.35)--outperform Glenmount Elementary in the low-poverty neighborhood. Both schools also perform above the Baltimore city average, and CTBS scores have been improving consistently for the past several years. In contrast, the low-poverty neighborhood's school performs below the city MSPAP average and its scores have been declining.

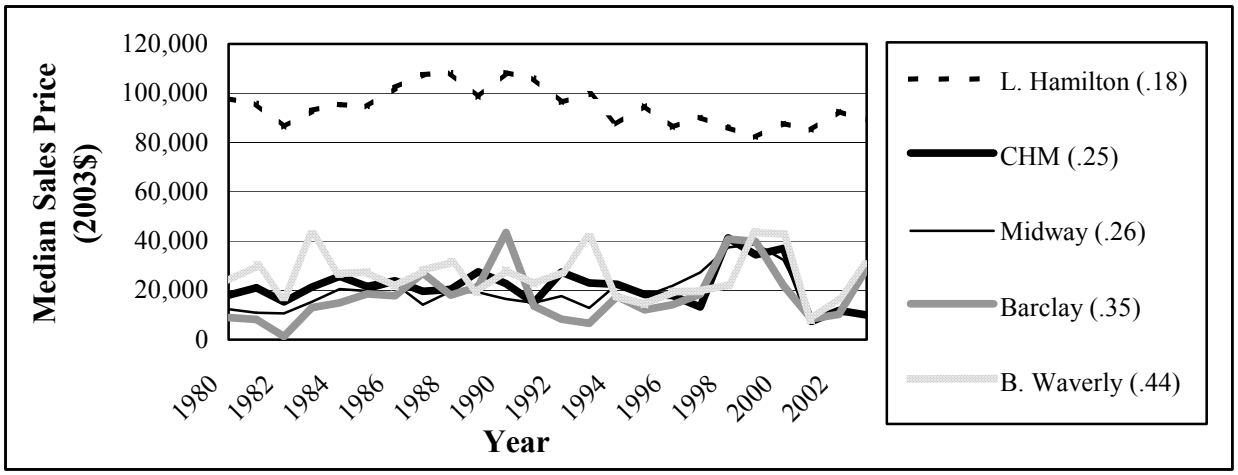
Image

Eleven interviews with residents and six interviews with arm's-length experts revealed that although the four higher poverty neighborhoods were clearly viewed more negatively than the low-poverty neighborhood, the highest-poverty neighborhood again performed better than the middle-poverty neighborhoods. Crime, drugs and disrepair were repeatedly cited as problems in these middle-poverty neighborhoods, and quality was believed to be declining. In contrast, views about the high-poverty neighborhood were mixed, with residents in the northern part of the neighborhood more pleased with the quality of the neighborhood than residents in the southern part.

Evidence of Threshold Effects

As discussed in Chapter 2, HUD's regulations imply that there is a 20 percent threshold beyond which quality drops significantly. We, therefore, expected to see a significant difference between the quality of the low-poverty neighborhood and the higher-poverty neighborhoods. Our analysis provides some support for a threshold effect. First, the low-poverty neighborhood almost always outperformed the four higher-poverty neighborhoods. Further, some measures displayed a significant enough gap between the low-poverty neighborhood and the higher-poverty neighborhoods to suggest a possible tipping point or threshold. For example, Figure 5.4 shows that the low-poverty neighborhood had a median residential property sales price that consistently was more than double that of all of the other neighborhoods, suggesting a tipping

Figure 5.4
Median Residential Sales Price by Neighborhood, 1980-2002



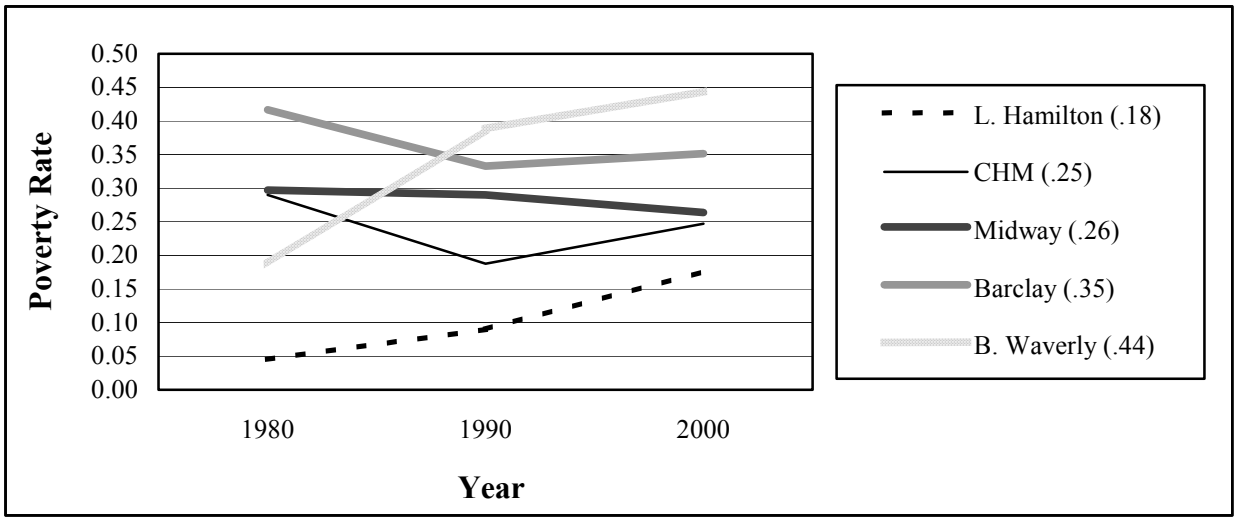
Sources: Baltimore City Mayor's Office of Information Technology (2000; 2003).

point at 20 percent poverty for sales price. As noted in Chapter 4, residential sales price is among the most important reflections of neighborhood quality. Some socioeconomic and health measures also exhibited a threshold effect; included here are residents with less than a high school diploma, households receiving TANF, and reported child abuse (see Appendix Tables 5.1 and 5.7).

The Poverty Trajectory

As shown in Figure 5.5, the poverty trajectory of the five study neighborhoods over the last 20 years is not a stronger marker of neighborhood quality. In the low-poverty neighborhood,

Figure 5.5
Poverty Trajectory by Neighborhood, 1980-2000



Sources: Geolytics (2000); Wessex (1993); U. S. Bureau of the Census (2000).

poverty rates have been increasing and neighborhood quality has declined, as expected (and confirmed by interviews). In contrast, the poverty rate in the high-poverty neighborhood has more than doubled in the last 20 years, yet quality does not appear to be decreasing, according to both the quantitative data and interviews.

Mitigating Factors

Race, age, and adjacency were each examined as factors that might mitigate the relationship between neighborhood poverty and neighborhood quality. We were unable to draw any conclusions about race and age because of a lack of variation across the neighborhoods. However, adjacency may make a difference.

Adjacency

As shown earlier in Figure 5.1, the four neighborhoods with poverty rates above 20 percent are adjacent to each other and exhibit relatively similar quality. The low-poverty neighborhood is not adjacent to these poverty neighborhoods, is surrounded almost completely

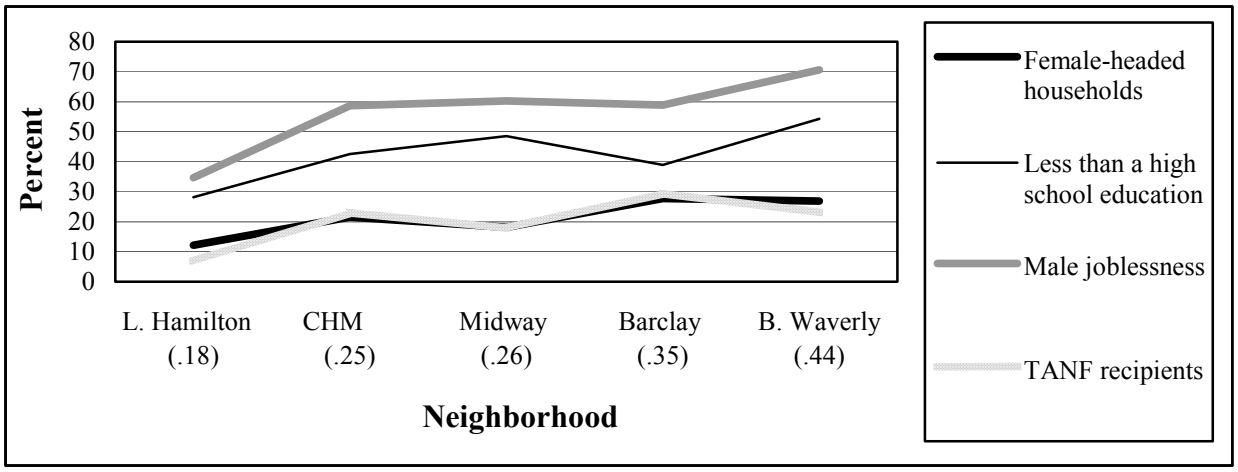
by neighborhoods with similarly low poverty rates, and exhibits higher quality. While we cannot attribute the difference in neighborhood quality to the spillover effects from low-poverty neighborhoods, this is a question worthy of more systematic investigation.

Additionally, there is a clear difference in quality between the southwestern region of the high-poverty neighborhood and the remainder of the neighborhood as suggested by on-site observations and interviews (see Appendix Table 5.4). This distinction was further confirmed by census block group data. Block groups in the southwestern section of the neighborhood, which are adjacent to two middle-poverty neighborhoods with lower quality, had a 2000 poverty rate of 55 percent, substantially higher than the 39 percent in the rest of the neighborhood. Interestingly, the neighborhoods surrounding this lower-poverty portion of B. Waverly were reported in three resident interviews to be of lower quality, which we confirmed in on-site observations. Perhaps there is a negative spillover from these adjacent lower quality neighborhoods. This points to the difficulty of using census tract data for public policy decisions targeting neighborhoods because there can be significant quality variation across a single neighborhood.

The Underclass

By and large, the underclass measures do not consistently track the poverty rate. As shown in Figure 5.6, the high-poverty neighborhood did not rank consistently worse on these four underclass measures compared to the neighborhoods with lower poverty rates. While it had substantially higher rates of male joblessness and residents with less than a high school education, its rates of female-headed households and TANF recipients were lower than those of a middle-poverty neighborhood. Only male joblessness conforms somewhat more to our expectations, with the lowest rate in the low-poverty neighborhood, the highest rate in the high-poverty neighborhood, though it shows little variation across the three middle-poverty neighborhoods.

Figure 5.6
Underclass Measures by Neighborhood, 2000

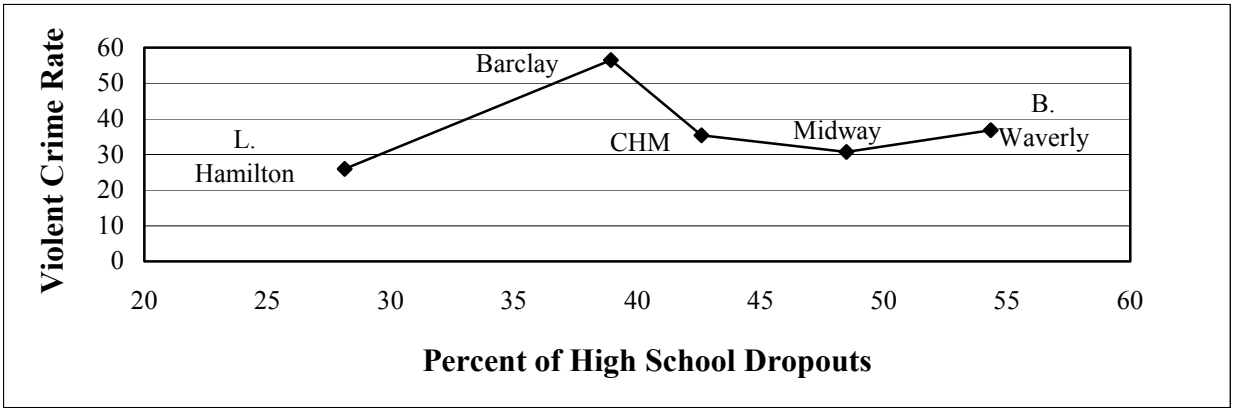


Sources: U. S. Bureau of the Census (2000); Maryland Department of Human Resources (2000).

The Underclass as a Measure of Neighborhood Quality

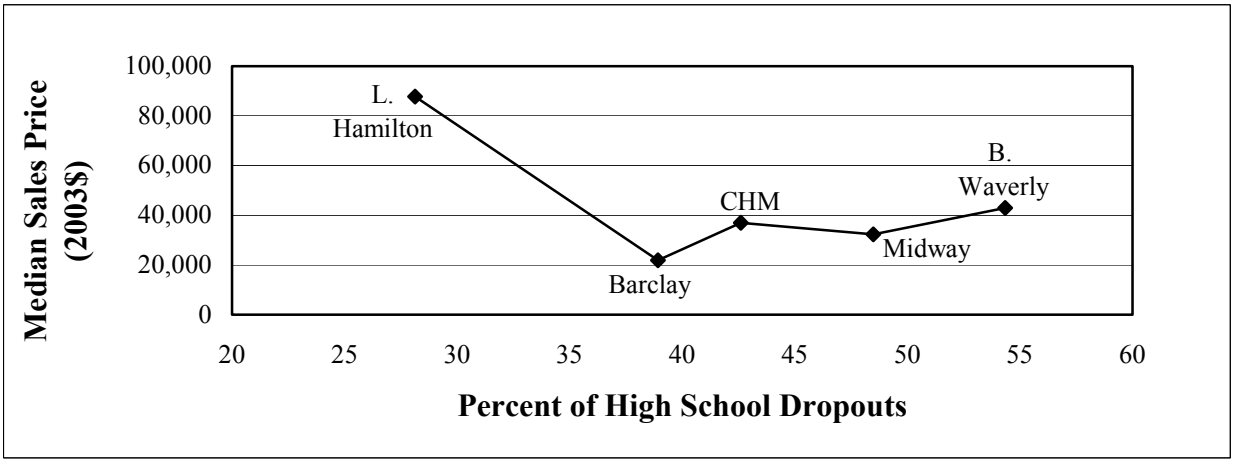
We also explored whether the four underclass measures were an alternative and stronger marker of neighborhood quality than the neighborhood poverty rate. We did not find this to be the case across most quality measures including physical environment, violent and property crime, median residential sales prices and school scores. Two examples demonstrate this lack of relationship. Figure 5.7 demonstrates the lack of linearity in the relationship between high school dropouts and violent crime, and Figure 5.8 shows the lack of linearity in the relationship between high school dropouts and median residential sales prices.

Figure 5.7
High School Dropouts and
Violent Crime Rate Per 1,000 Residents, 2000



Sources: U.S. Bureau of the Census (2000); Baltimore City Police Department (2002).
Note: Percent of high school dropouts for the population age 25 and over.

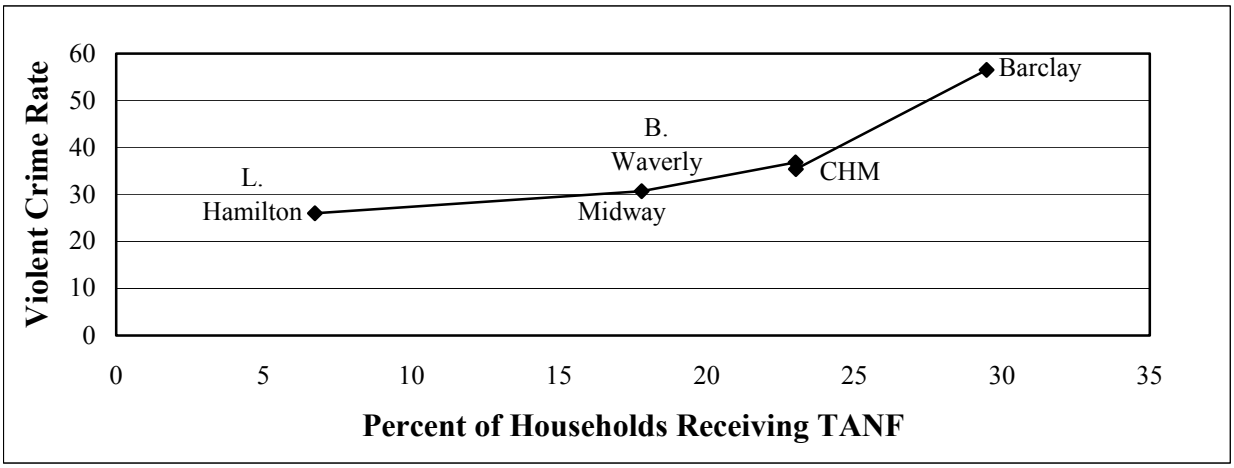
Figure 5.8
High School Dropouts and Median Sales Price, 2000



Sources: U.S. Bureau of the Census (2000); Baltimore City Mayor's Office of Information Technology (2000; 2003).
Note: Percent of high school dropouts for the population age 25 and over.

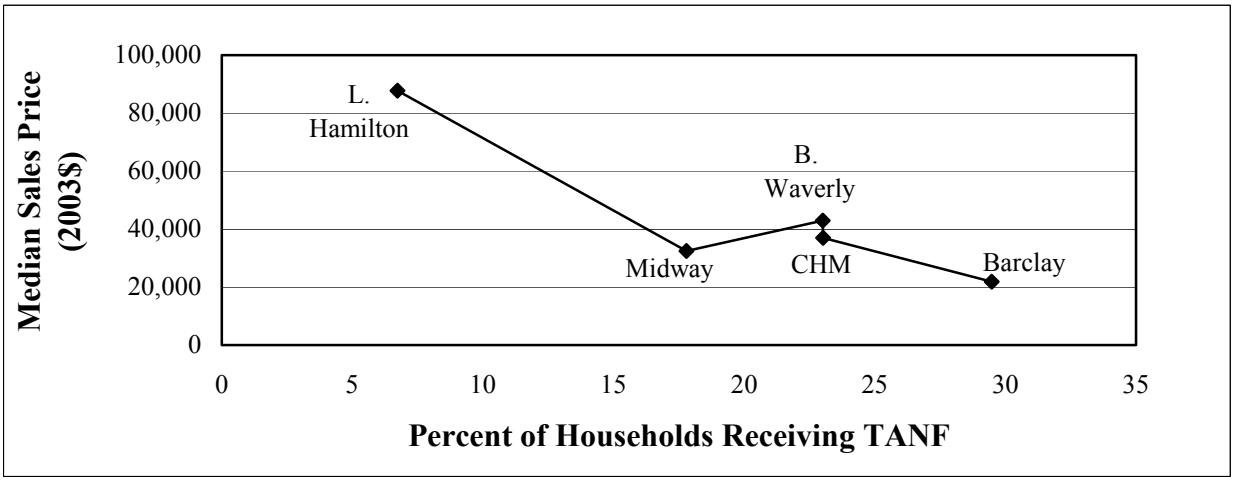
There were two isolated instances in which two underclass measures--households receiving TANF and female-headed households--were generally linear with respect to neighborhood quality. Figures 5.9 and 5.10 show linearity in the relationship between TANF receipt and the violent crime rate, on the one hand, and median sales price, on the other. However, the generally linear pattern was not evident across other quality indicators.

Figure 5.9
Percent of Households TANF and
Violent Crime Rate Per 1,000 Residents, 2000



Sources: Maryland Department of Human Resources (2000); Baltimore City Police Department (2002).

Figure 5.10
Percent of Households Receiving TANF
and Median Residential Sales Price, 2000



Sources: Maryland Department of Human Resources (2000); Baltimore City Mayor's Office of Information Technology (2000; 2003).

Summary and Conclusions

The analysis presented in this chapter demonstrates that, for many measures of quality,

there is generally a linear relationship between the neighborhood poverty rate and neighborhood quality for all but the high-poverty neighborhood. While the low-poverty neighborhood exhibits higher quality than the middle-poverty neighborhoods, the high-poverty neighborhood consistently exhibits quality similar to, or better than, that of the middle-poverty neighborhoods. This was evident in measures of physical environment, crime, social environment and image. However, for measures of economic investment, demographics, socioeconomic characteristics, and school quality, the pattern is erratic.

This analysis reveals that the pattern of median residential sales prices, as well as some socioeconomic and health measures, supports a 20 percent poverty threshold implied by HUD's regulations. By contrast, we did not find that the poverty trajectory was a superior marker of neighborhood quality compared to the static poverty rate. Finally, adjacency may mitigate the relationship between neighborhood poverty rate and neighborhood quality.

Appendix Table 5.1
Socioeconomic Characteristics by Neighborhood, 1980-2000

Measure	L. Hamilton (.18)	CHM (.25)	Midway (.26)	Barclay (.35)	B. Waverly (.44)
Education					
Percent 25+ with less than high school, 2000	28.13	42.60	48.48	38.93	54.34
Percent 25+ with less than high school, 1990	25.06	57.66	61.21	65.45	57.80
Percent 25+ with bachelors or higher, 2000	19.32	5.68	3.98	8.05	3.10
Percent 25+ with bachelors or higher, 1990	8.41	3.01	4.35	15.87	9.59
Employment					
Percent of males 16+ in labor force, 2000	68.45	52.18	52.01	51.98	39.86
Percent of males 16+ in labor force, 1990	77.90	69.98	64.11	68.33	59.03
Percent of males 16+ employed, 2000	65.29	41.34	39.74	41.16	29.37
Percent of males 16+ employed, 1990	73.51	56.27	54.56	54.10	52.42
Percent of females 16+ in labor force, 2000	62.10	52.71	45.03	46.44	47.78
Percent of females 16+ in labor force, 1990	59.65	59.15	56.71	55.07	50.52
Percent of females 16+ employed, 2000	54.95	42.79	40.46	39.17	39.75
Percent of females 16+ employed, 1990	57.05	51.71	52.47	46.34	45.21
Public assistance					
Percent of households receiving TANF, 2000	6.73	23.02	17.79	29.47	23.01
Long-term residents					
Percent of residents living in same house for at least five years, 2000	49.04	64.93	64.94	60.17	54.08
Percent of residents living in same house for at least five years, 1990	54.65	71.24	67.26	59.84	52.93
Percent of residents living in same house for at least five years, 1980	61.30	61.50	60.54	63.40	55.87
Income					
Median household income, 1980 (2000$)	21,644	27,558	25,600	16,593	34,335
Median household income, 1990 (2000$)	19,250	31,778	27,832	24,185	32,749
Median household income, 2000 (2000$)	14,718	25,384	27,917	20,724	32,625
Percent of households with income greater than $60,000, 2000	20.65	12.94	13.94	9.60	5.97

Sources: Geolytics (2000); Wessex (1993); U.S. Bureau of the Census (2000); Maryland Department of Human Resources (2000).

Appendix Table 5.2
Demographic Characteristics by Neighborhood, 1980-2000

Measure	L. Hamilton (.18)	CHM (.25)	Midway (.26)	Barclay (.35)	B. Waverly (.44)
Total Population					
Population, 2000	2386	3839	4170	1946	1682
Population, 1990	2494	4811	5427	3030	2029
Population, 1980	2710	5502	6175	2742	2172
Percent change 1990 to 2000	-4.33	-20.20	-23.16	-35.78	-17.10
Percent change 1980 to 1990	-7.97	-12.56	-12.11	10.50	-6.58
Age					
Percent under 18, 2000	25.19	31.44	27.77	31.65	32.10
Percent under 18, 1990	23.82	30.62	28.21	32.44	30.31
Percent under 18, 1980	22.99	35.21	32.13	32.42	31.63
Percent over 65, 2000	13.91	10.94	14.53	8.94	8.68
Percent over 65, 1990	15.20	8.48	11.17	7.19	7.44
Percent over 65, 1980	14.58	5.16	8.65	9.45	8.70
Race					
Percent black, 2000	55.87	97.63	96.28	91.98	85.20
Percent black, 1990	43.42	98.82	97.97	92.48	78.31
Percent black, 1980	32.21	97.18	97.67	91.25	62.48
Percent white, 2000	39.98	0.76	1.22	5.60	11.06
Percent white, 1990	54.77	0.64	1.51	6.86	19.71
Percent white, 1980	63.80	2.25	2.09	7.55	35.45
Households					
Total households, 2000	996	1260	1338	682	652
Total households, 1990	1017	1412	1539	960	761
Total households, 1980	1085	1473	1622	826	804
Percent of households female-headed with own children, 2000	12.15	21.59	18.09	27.71	26.84
Percent of households female-headed with own children, 1990	11.41	28.61	27.68	33.02	29.70
Percent of households female-headed with own children, 1980	12.72	27.70	26.70	24.94	21.39
Percent of households married couples with own children, 2000	16.87	6.11	6.80	5.28	8.13
Percent of households married couples with own children, 1990	19.67	17.92	13.84	6.67	12.48
Percent of households married couples with own children, 1980	21.20	25.19	22.50	10.29	18.78
Percent of households with grandparents responsible for grandchildren under 18, 2000	1.91	16.59	10.24	8.50	9.20

Sources: Geolytics (2000); Wessex (1993); U.S. Bureau of the Census (2000).

Appendix Table 5.3
Abandoned Housing by Neighborhood, 1991-2003

Measure	L. Hamilton (.18)	CHM (.25)	Midway (.26)	Barclay (.35)	B. Waverly (.44)
Number of residential structures, 2003	511	1373	1483	661	452
Number of abandoned houses, 2001	3	148	282	181	52
Number of abandoned houses, 2000	2	148	275	168	49
Number of abandoned houses, 1991	0	49	120	93	20
Percent of housing stock abandoned, 2001	0.59	10.78	19.02	27.38	11.50
Percent of housing stock abandoned, 2000	0.39	10.78	18.54	25.42	10.84

Sources: Baltimore City Department of Housing and Community Development (2002b; 2003).
Note: Percent of housing stock abandoned calculated using 2003 number of residential structures.

Appendix Table 5.4
On-Site Observations by Neighborhood, 2003

Measure	L. Hamilton (.18)	CHM (.25)	Midway (.26)	Barclay (.35)	B. Waverly (.44)
Broken windows	1.0	1.8	2.0	1.4	2.0
Graffiti	1.2	1.6	1.8	1.6	1.6
Trash	1.0	2.2	2.2	2.2	3.8
Boarded up buildings	1.0	2.8	4.2	3.0	2.8
External sign of disrepair	2.2	2.4	5.0	2.6	2.4
Vacant lots	1.0	1.8	1.2	1.4	1.6
Street lights	2.8	3.0	2.2	2.0	2.8
Trees	3.6	3.0	1.4	2.6	3.2
Beautification efforts	2.8	2.6	1.8	3.4	2.4
Sidewalks	1.4	1.6	2.0	1.8	2.0
Undesirable land use	1.0	1.0	2.0	1.0	3.0
Parks/playgrounds	2.0	2.0	2.0	3.0	2.0
Trash in parks	1.0	1.0	1.0	3.0	1.0
Supermarkets	2.0	1.0	1.0	1.0	2.0
Corner stores	2.0	3.0	3.0	3.0	3.0
Restaurants	2.0	3.0	2.0	3.0	4.0
Businesses	3.0	2.0	4.0	4.0	5.0

Source: On-site observation of at least 50 percent of all blocks in each neighborhood (2003).
Note: Rated on a scale where 1=No presence; 5=Overwhelming presence.

Appendix Table 5.5
Crime by Neighborhood, 1990-2002

Measure	L. Hamilton (.18)	CHM (.25)	Midway (.26)	Barclay (.35)	B. Waverly (.44)
Violent crimes per 1,000 residents					
2002	21.37	24.75	36.93	26.21	20.81
2001	18.02	32.04	42.21	39.05	24.97
2000	25.98	35.43	30.70	56.53	36.86
1990	1.20	24.73	53.81	51.16	24.64
Truancy					
Percent truant grades 9-12, 2000	32.35	52.34	61.71	52.17	44.44
Juvenile drug arrests per 100 youth 10-17					
2002	5.71	9.04	10.25	7.32	5.14
2001	2.86	5.85	7.56	12.50	5.47
2000	3.57	7.09	10.25	8.54	4.18
1999	2.14	6.91	7.56	3.66	4.50
1998	5.00	5.32	5.55	5.18	3.86
Property crimes per 1,000 residents					
2002	80.26	94.53	71.94	58.86	53.51
2001	79.65	82.73	83.25	99.69	55.50
2000	93.53	85.13	70.50	80.34	62.35
1999	89.61	72.68	61.73	54.96	47.41
1998	64.54	52.81	48.62	50.71	43.59

Sources: Baltimore City Police Department (2002); Baltimore City Police Department Juvenile Detention Unit (2002); Baltimore City Public School System (2003).
Note: 2000 population number used for the denominator in the rate calculations for all years except 1990, for which 1990 population is used.

Appendix Figure 5.1
Community Organizations by Neighborhood

Organizations	Neighborhoods	Status	Date of Inception	Budget ($)
Better Waverly Community Organization	B. Waverly	Active	1978	32,469
Chesapeake Habitat for Humanity	B. Waverly	Active	1982	1,120,056
Waverly Family Center	B. Waverly	Active	1988	369,736
Greater Homewood Community Corporation	B. Waverly / Barclay	Active	1970	2,176,275
Charles Village Community Benefits District	B. Waverly / Barclay	Active	NA	769,366
People's Homesteading Group Inc.	Barclay	Active	1983	271,049
Barclay Leadership Council	Barclay	Active	NA	NA
Brentwood Tenant Council	Barclay	NA	NA	NA
North Baltimore Civic/Home Improvement Association	Barclay	NA	NA	NA
CHM Community Corporation	CHM	Active	NA	88,836
Homestead Place Community Association	CHM	NA	NA	NA
Homewood Resident Council	East Baltimore Midway	Active	NA	<25,000
Adopt-A-House Development Corporation	East Baltimore Midway	Active	NA	108,000
The 25th St. Area Business Owners & Neighborhood Coalition Action Group	East Baltimore Midway	NA	NA	NA
1900 Blocks of Aisquith and SAPP Streets Community Organization	East Baltimore Midway	NA	NA	NA
HARBEL	L. Hamilton	Active	1972	1,149,678
Harford Road Partnership, Inc.	L. Hamilton	Active	NA	188,881
Christopher Neighborhood Association	L. Hamilton	NA	NA	NA
Hamilton Business Association	L. Hamilton	NA	NA	NA
Keyworth Community Association	L. Hamilton	NA	NA	NA
Harford Park Community Association	L. Hamilton	NA	NA	NA
Westfield Neighborhood Improvement Association	L. Hamilton	Active	1977	NA

Sources: Guidestar (2003); Baltimore Neighborhood Indicators Alliance (2003).
Note: NA = not available.

Appendix Table 5.6
School Quality Measures by Neighborhood, 1993-2002

Measure	L. Hamilton (.18) Glenmount Elem.	Midway (.26) Cecil Elem.	Barclay (.35) Dallas F. Nicholas, Sr. Elem.	Baltimore Average
MSPAP - Percent Satisfactory				
3rd Grade reading, 2002	13.5	24.6	30.8	12.4
3rd grade reading, 2000	15.3	14.5	36.2	18.5
3rd grade reading, 1994	34.8	7.0	5.9	9.2
3rd grade math, 2002	2.9	20.6	34	12.8
3rd grade math, 2000	10.7	12.2	46.8	14.3
3rd grade math, 1993	36.7	3.6	12.5	7.1
CTBS - Median National Percentile				
3rd grade reading, 2001	45	64	61	41.77
3rd grade reading, 2000	45	39	45	36.88
3rd grade reading, 1999	44	42	28	29.46
3rd grade reading, 1998	54	31	27	29.08
3rd grade math, 2001	41	76	79	40.97
3rd grade math, 2000	40	53	68	33.75
3rd grade math, 1999	29	38	53	21.84
3rd grade math, 1998	36	36	32	23.38

Sources: Maryland State Department of Education (2003); Baltimore City Public School System (2002).
Note: MSPAP = Maryland State Performance Assessment Program, CTBS = Comprehensive Test of Basic Skills.

Appendix Table 5.7
Child Abuse by Neighborhood, 1998-2001

Measure	L. Hamilton (.18)	CHM (.25)	Midway (.26)	Barclay (.35)	B. Waverly (.44)
Abuse					
Number of reported abuse cases, 2001	11	27	28	18	16
Number of reported abuse cases, 2000	9	39	49	21	21
Number of reported abuse cases, 1999	8	29	42	17	13
Number of reported abuse cases, 1998	5	45	44	37	30
Abuse per 100 children 0-17, 2001	1.83	2.24	2.42	2.92	2.96
Abuse per 100 children 0-17, 2000	1.50	3.23	4.23	3.41	3.89
Abuse per 100 children 0-17, 1999	1.33	2.40	3.63	2.76	2.41
Abuse per 100 children 0-17, 1998	0.83	3.73	3.80	6.01	5.56

Source: Baltimore City Department of Social Services (2001).
Note: All rates per 100 children 0-17 calculated using 2000 census population figures as the denominator.

CHAPTER 6
MIXED ADJACENT/NOT ADJACENT TRACTS

Executive Summary

This chapter explores the relationship between neighborhood poverty rates and neighborhood quality in five neighborhoods where the two lowest-poverty neighborhoods, Frankford (.19) and Parkside (.24), are adjacent to one another, as are the two high-poverty neighborhoods, Darley Park (.35) and Broadway East ("Bdwy. East") (.53). Cedonia (.27), the middle-poverty neighborhood, is located close to Frankford (.19) and Parkside (.24) but is not adjacent to either.

Several measures of neighborhood quality have a generally linear relationship with the neighborhood poverty rate. These measures include assault rates, features of the social environment, and measures of neighborhood image. Other measures suggest a poverty rate threshold beyond which neighborhood quality declines dramatically. Examples include median residential sales prices, abandoned housing, non- two-parent households, and educational attainment. Income above $60,000, owner-occupied homes and economic investment did not suggest a relationship between neighborhood poverty and quality.

The poverty rates of adjacent tracts may play some role in the relationship of poverty and quality in the study sites, but race and age do not appear to be mitigating factors. The poverty trajectory over time provides insights into the pattern of quality measures in low-poverty Frankford (.19), where poverty has worsened significantly in the past 10 years, and middle-poverty Cedonia (.27), where poverty has remained stable over the past 20 years.

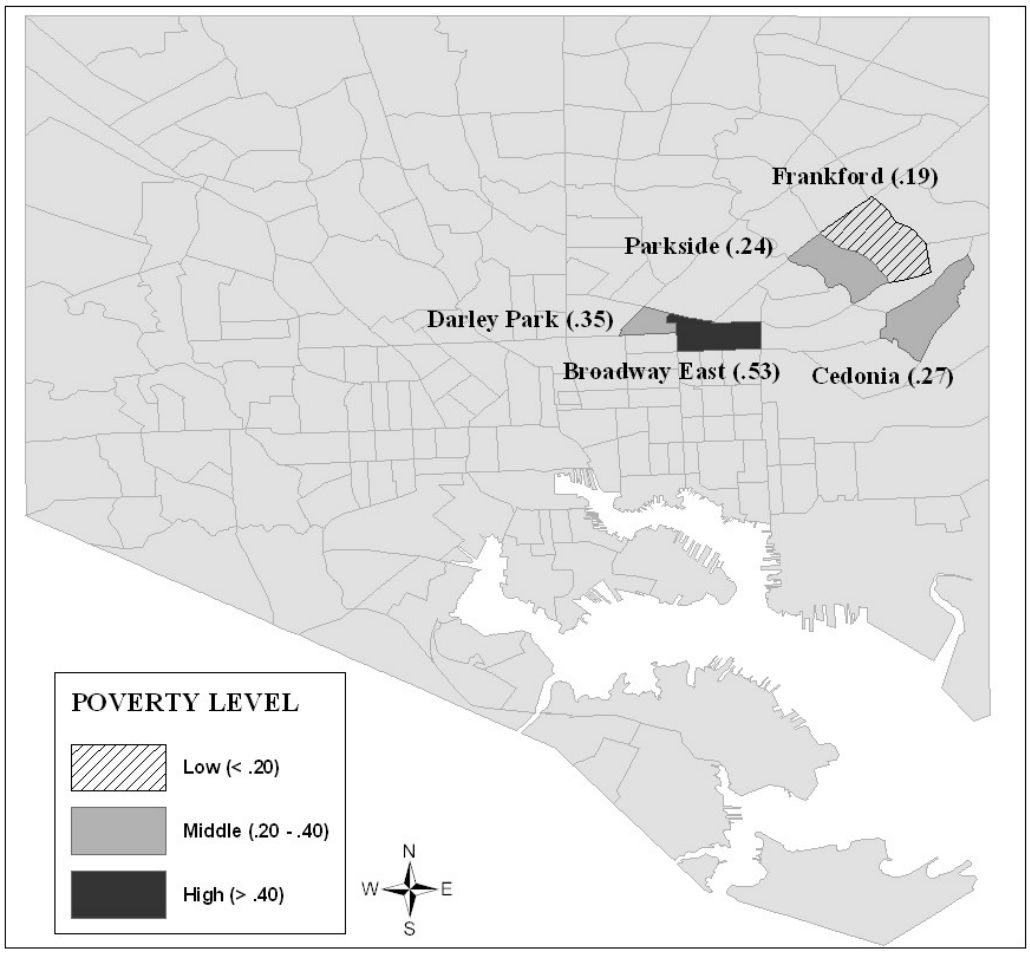
Neighborhood Locations and Background

In the course of this study, we interviewed 14 neighborhood residents, nine neighborhood experts and three arm's length experts. We also conducted systematic on-site observations on 11-28 percent of the blocks in these neighborhoods, depending on their size. The following section draws heavily on this interview and observational data.

The lowest-poverty neighborhood among the five study neighborhoods in this chapter, Frankford (.19), and one middle-poverty neighborhood, Parkside (.24), are largely residential with significant green space. One middle-poverty neighborhood, Cedonia (.27), has more industrial development than the other four neighborhoods. The highest-poverty neighborhood, Bdwy. East (.53), and another middle-poverty neighborhood, Darley Park (.35), are largely residential neighborhoods located on the outer edge of the city center, as shown in Figure 6.1. All five neighborhoods have active businesses along main roads. As shown in Appendix Table 6.1, the demographics of these neighborhoods vary considerably.

Table 6.1 shows the census tracts that each neighborhood represents, as well as the neighborhood poverty rate in 2000. The portion of the low-poverty neighborhood, Frankford (.19), included in this analysis is bordered by Sinclair Lane, Frankford Avenue and Belair Road; it includes portions of the much larger area traditionally known as Frankford. The middle-poverty neighborhood, Parkside (.24), is bordered by Frankford to the southeast, Sinclair Lane, and the popular and well-kept Herring Run Park on the southwest. It includes all of Parkside and

Figure 6.1
Geographic Location of Neighborhoods



portions of Belair-Edison and Frankford. Another middle-poverty neighborhood, Cedonia (.27), is bounded partially by the JFK Memorial Highway and Moravia Park Road and includes

Table 6.1
Study Neighborhoods, Poverty Rates and Tract Numbers

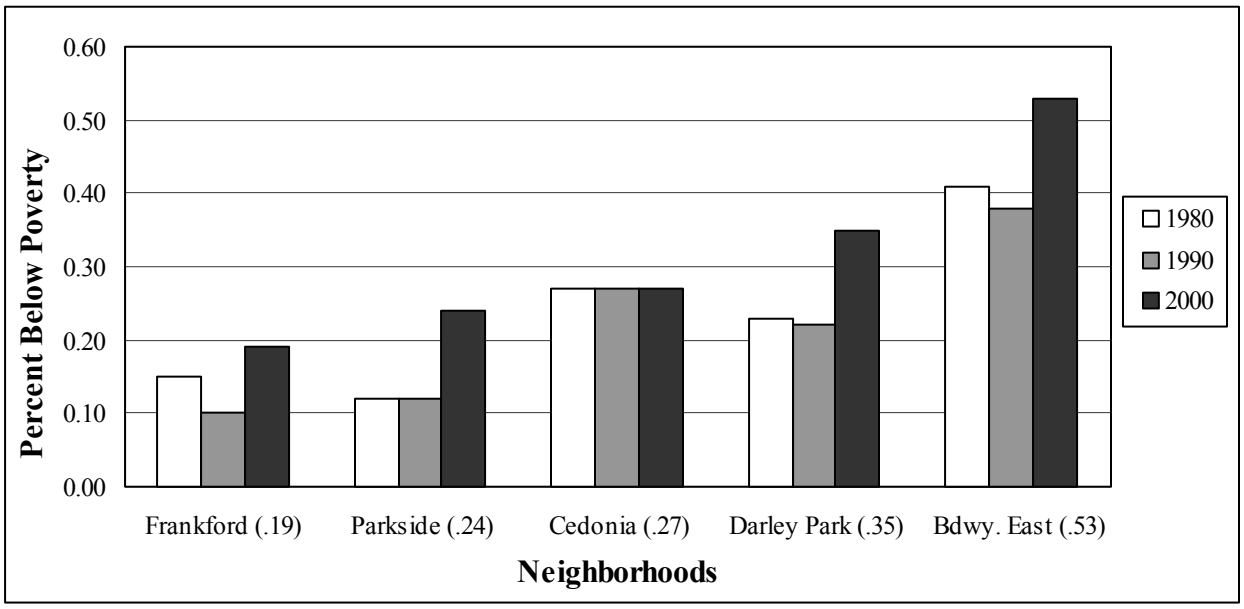
Neighborhood	Poverty Rate	Census Tract
Low-poverty		
Frankford	19	2602.01
Middle-poverty		
Parkside	24	2602.02
Cedonia	27	2604.02
Darley Park	35	0805.00
High-poverty		
Broadway East	53	0802.00

Source: U.S. Bureau of the Census (2000).

portions of Frankford and the Pulaski Industrial Area. The final middle-poverty neighborhood, Darley Park (.35), is bordered by major roads, including, North Avenue and Harford Road. It encompasses parts of Darley Park, South Clifton Park and East Baltimore Midway. The high-poverty neighborhood, Bdwy. East (.53), is bordered by Sinclair Lane and Edison Highway and is split by North Avenue. The area we studied includes the northeast portion of what is traditionally known as Bdwy. East, the northern part of Berea and the eastern part of South Clifton Park.

The low-poverty neighborhood, Frankford (.19), and the middle-poverty neighborhoods Parkside (.24) and Cedonia (.27), were farmland until development began in the 1940s. Little development has occurred since then. Changes in racial composition occurred in the 1960s and 1970s, and these three neighborhoods are now comprised mainly of black residents. As shown in Figure 6.2, the neighborhood poverty rates in Frankford and Parkside changed during the last 20 years but remained stable in Cedonia.

Figure 6.2
Trends in Poverty by Neighborhood, 1980-2000



Sources: Geolytics (2000); Wessex (1993); U. S. Bureau of the Census (2000).

The middle-poverty neighborhood, Darley Park (.35), and high-poverty neighborhood, Bdwy. East (.53), experienced their first major development activity around the turn of the century. As industry collapsed in East Baltimore during the 1950s and 1960s, the neighborhoods suffered from economic disinvestment and underwent drastic demographic change. White residents moved out to settle newly developed areas to the north, and blacks moved in. Darley Park (.35), with a history of well-established families, better withstood these changes than Bdwy. East (.53), which was settled by temporary workers.

Population Change

As shown in Table 6.2, there appears to be a generally linear relationship between neighborhood population loss and neighborhood poverty; as population decreases, poverty rates increase (or vice versa). The only exception is the middle-poverty neighborhood Parkside (.24), where population increased from 1990-2000.

Table 6.2
Population Change by Neighborhood, 1980-2000

Percent Change in Population	Frankford (.19)	Parkside (.24)	Cedonia (.27)	Darley Park (.35)	Bdwy. East (.53)
1990-2000	-0.03	0.03	-0.36	-0.19	-0.44
1980-1990	-0.04	-0.06	-0.07	-0.08	-0.11

Sources: Geolytics (2000); Wessex (1993); U.S. Bureau of the Census (2000).

Preview of Findings

Across a wide range of quality domains we found a number of measures, such as assault rates, features of the social environment, and neighborhood image, which have a roughly linear relationship with the poverty rate. Other measures, such as abandoned housing and educational attainment, suggest a threshold beyond which neighborhood quality declines dramatically. Both the poverty trajectory over time and measures of the underclass provided insights into the patterns of some quality measures for some neighborhoods. Age and race do not appear to be mitigating factors in the relationship between poverty and quality. However, poverty rates of adjacent tracts do appear to play some role, particularly for the middle-poverty neighborhood Darley Park (.35).

Linear Relationships

Violent Crime

As shown in Appendix Table 6.2, total violent crime rates (including murder, rape, and aggravated assaults) show a generally linear relationship; as neighborhood poverty increases, so do violent crime rates. However, one middle-poverty neighborhood does not conform to this linear pattern. Using the 2002 aggravated assault rates in Table 6.3 as an example, the middle-poverty neighborhood Parkside (.24) had a lower violent crime rate than the low-poverty neighborhood Frankford (.19).

Table 6.3
Aggravated Assault Arrests by Neighborhood, 2002

Aggravated assault arrests per 1,000 residents	Frankford (.19)	Parkside (.24)	Cedonia (.27)	Darley Park (.35)	Bdwy. East (.53)
2002	15.68	12.60	23.00	33.56	36.14

Source: Baltimore City Police Department (2002).

Social Environment

One measure of the social environment is the presence and activities of neighborhood organizations, as summarized in Figure 6.3. (Appendix Figure 6.1 provides further information on neighborhood organizations.) Five residents in the lowest-poverty and middle-poverty neighborhoods expressed general satisfaction with the organizations and activities in their neighborhoods, citing monitoring of yard maintenance, delivery of regular newsletter updates and organization of neighborhood watches and block parties. The Cedonia Community Association won a $1,000 "BELIEVE in your Neighborhood" program grant for their "Meet Your Neighbor" block party in May 2003. None of the three resident interviews in the high-poverty neighborhood mentioned either the Bdwy. East Community Association or the Community Association of Port Street, two organizations located in this neighborhood that meet monthly.

Figure 6.3
Image by Neighborhood, 2003

Measure	Frankford (.19)	Parkside (.24)	Cedonia (.27)	Darley Park (.35)	Bdwy. East (.53)
Social environment	+	+	+	+/-	-
Image	+	+	+	+/-	-

Sources: 14 resident and 12 expert interviews (2003).
Note: + indicates a generally positive impression of the neighborhood; +/- indicates a mixed impression; and - indicates a negative impression.

On-site observations on a rough average of 20 percent or more of each neighborhood's blocks (summarized in Appendix Table 6.3) confirmed that neighborhoods with a strong presence of active neighborhood organizations tend to have better physical upkeep.

Image

Views of the neighborhoods by residents, neighborhood experts and city planners roughly conformed to the neighborhood's poverty rate, as shown in Figure 6.3. As poverty increases, the image of the neighborhood worsens. In low- and middle-poverty neighborhoods--Frankford (.19), Parkside (.24) and Cedonia (.27)--four out of five residents interviewed are generally content with their neighborhoods and perceive a decrease in crime over the past five years. However, the two city planners interviewed highlighted the changing demographics of these neighborhoods, with more blacks and single-mother households moving in, and a developing underground drug market.

In Frankford (.19) and Parkside (.24), the Gardenville/Belair Road Business Association, composed of small business owners along Belair Road and Frankford Avenue, experienced frustration with a perceived decrease of well-maintained businesses. The association's president cited "fly-by-night" businesses such as store-front churches and liquor stores as problems, as well as the presence of increased trash, prostitution, and loitering. Business owners and community association representatives we interviewed blamed the decline in neighborhood quality on recent demographic changes.

City planners, association leaders, and residents share the perception that the middle-poverty neighborhood Darley Park (.35) is in a precarious state, teetering between improvement and further decline. Despite problems such as crime, drugs and abandoned buildings, the residents interviewed focused on the community's positive attributes, in contrast to the two arm's length experts and one city planner we interviewed.

One city planner, two active community leaders, and two residents we interviewed from the high-poverty neighborhood, Bdwy. East (.53), report a history of disinvestment and neglect, and cited drugs and crime as deeply-rooted problems. Both residents we talked to view their homes as shelter, not as investments. While city planners describe a problematic situation, they are optimistic about the nearby East Baltimore revitalization plans. Bdwy. East (.53) is not located within the East Baltimore Empowerment Zone, which is situated south of Federal Street. Positive spillover effects from the Empowerment Zone were not reported in either neighborhood resident interviews, contributing to the negative neighborhood image noted in Figure 6.3. The two expert interviews supported the new Turning Point Methadone Clinic because it produced 28 jobs (see Appendix Figure 6.2).

Nonlinearities

Affluence

As noted in Chapter 2, the empirical literature suggests that the presence of at least some affluent households could buffer higher-poverty neighborhoods from some deleterious conditions. Interestingly, the percent of households with incomes above $60,000 (in 2000)--our measure of affluence--is the same in the middle-poverty neighborhood of Darley Park (.35) and the low-poverty neighborhood of Frankford (.19), as shown in Table 6.4. We found no evidence that the nearly 25 percent of residents who are affluent in Darley Park have buffered this middle-poverty neighborhood's decline.

Table 6.4
Annual Income by Neighborhood, 2000

Measure	Frankford (.19)	Parkside (.24)	Cedonia (.27)	Darley Park (.35)	Bdwy. East (.53)
Percent of households with income > $60,000	0.24	0.22	0.17	0.24	0.11

Source: U.S. Bureau of the Census (2000).

Economic Investment

The Baltimore Department of Planning has designated the low-poverty neighborhood Frankford (.19), and the middle-poverty neighborhoods Parkside (.24) and Cedonia (.27) as "stabilization" areas, indicating high rates of homeownership and relatively stable economic activity, but also initial signs of stress and weak real estate markets. Because they are perceived to lack major problems, Frankford and Parkside have been untouched by city and private interventions, as shown in Appendix Figure 6.2. The only major investment in the three neighborhoods has been the replacement of the Strathdale Apartments in Cedonia (a major cause

of high drug rates and abandoned housing, according to the one resident interviewed) with the Frankford Estates housing development.

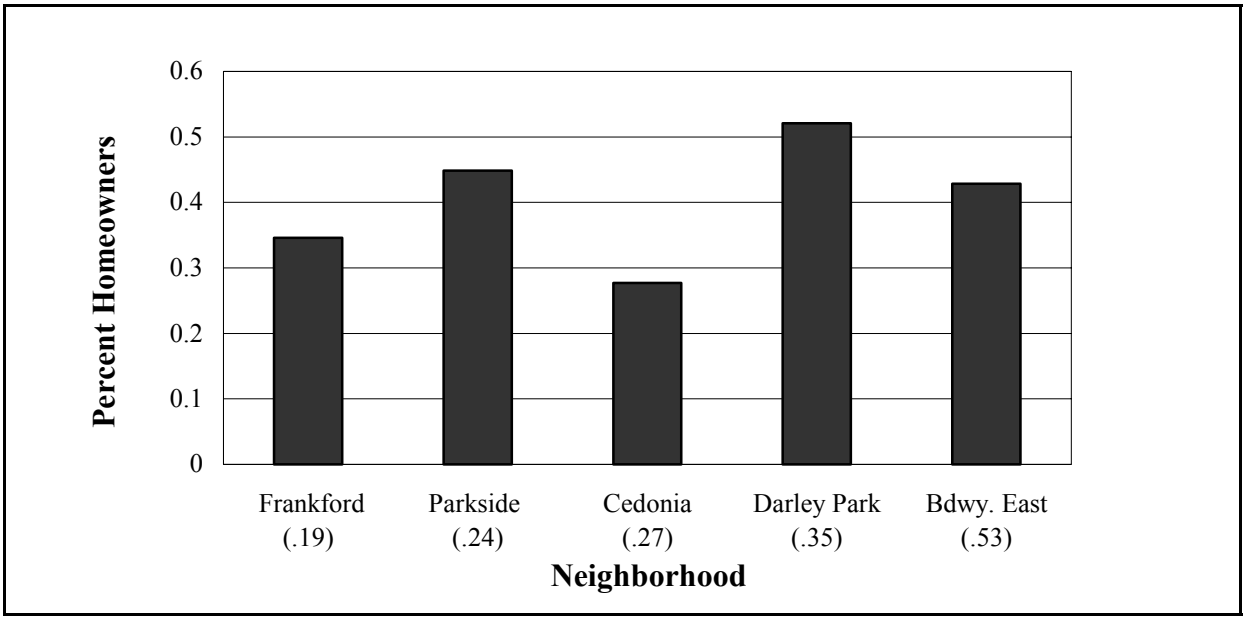
The middle-poverty neighborhood Darley Park (.35) was classified as a "reinvestment" area by the city and shows visible signs of decline, moderate real estate values, average home-ownership rates and high vacancy rates. It has also seen little economic intervention.

The high-poverty neighborhood was classified as a "redevelopment" area and shows significant deterioration of housing stock, dense concentrations of abandoned buildings, and numerous vacant lots. The area has access to private and public economic investment opportunities, but traditional market forces have little impact in this community. The East Baltimore Empowerment Zone awaits improvements through the Historic East Baltimore Community Action Coalition's pledge to revitalize homes with $34 million in federal funds. However, as noted earlier, the Bdwy. East study site is not part of the Empowerment Zone.

Homeownership

As shown in Figure 6.4, there is no relationship between the rate of homeownership and the neighborhood poverty rate. The rate of homeownership in the high-poverty neighborhood exceeds the rate in the low-poverty neighborhood.

Figure 6.3
Homeownership Rate by Neighborhood, 2000



Source: U.S. Bureau of the Census (2000).

School Quality

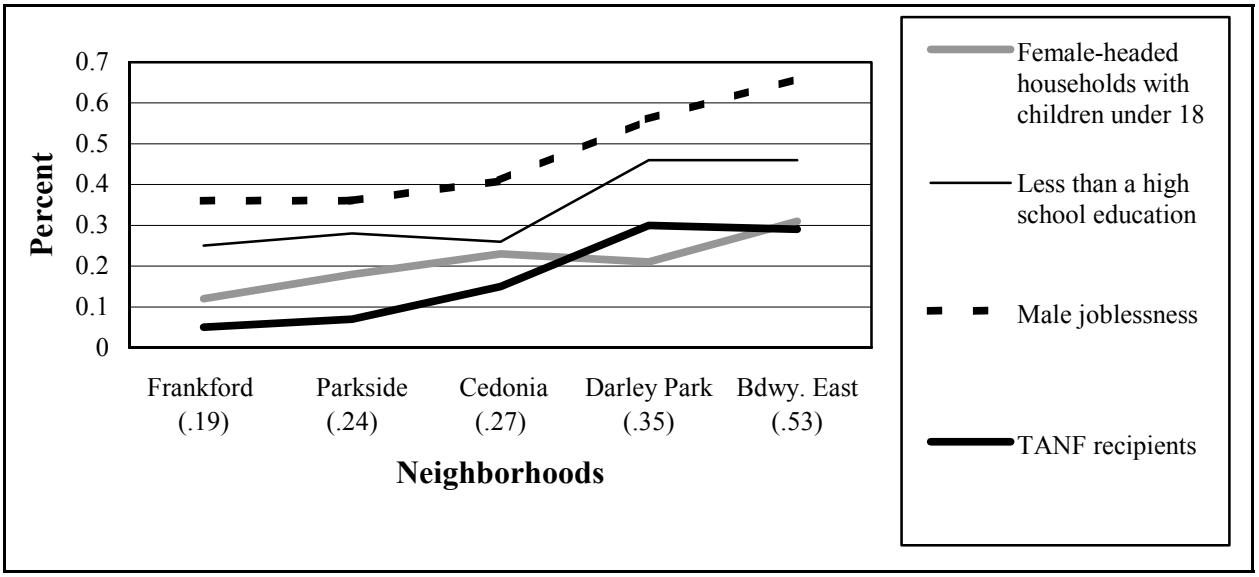
School quality, measured by third grade MSPAP test scores on reading and math, also do not appear to be related to neighborhood poverty rates (see Appendix Table 6.4). However,

because several neighborhoods lacked schools and because it is impossible to determine which schools children in any given neighborhood actually attend, this is a particularly tenuous finding.

The Underclass

As in the other neighborhood analyses in this report, we explored whether measures of the underclass were more linearly related to neighborhood poverty than other quality measures, and alternately whether they were stronger markers of neighborhood quality. As shown in Figure 6.5, it is roughly the case that as neighborhood poverty increases, so does the presence of female-headed households, households receiving TANF, male joblessness and residents over 25 who do not have a high school diploma. However, the figure also shows that the pattern is hardly smooth. Because we found evidence of a potential relationship between neighborhood poverty and quality, the linear relationship between neighborhood poverty and the underclass should hold for the relationship between the underclass and neighborhood quality. This is what we found for many of the key neighborhood quality indicators that we examined in this study, including violent crime, social environment, neighborhood image, median residential sales price, abandoned housing, non- two-parent households and educational attainment.

Figure 6.5
Underclass Measures by Neighborhood, 2000



Sources: U.S. Bureau of the Census (2000); Maryland Department of Human Resources (2000).

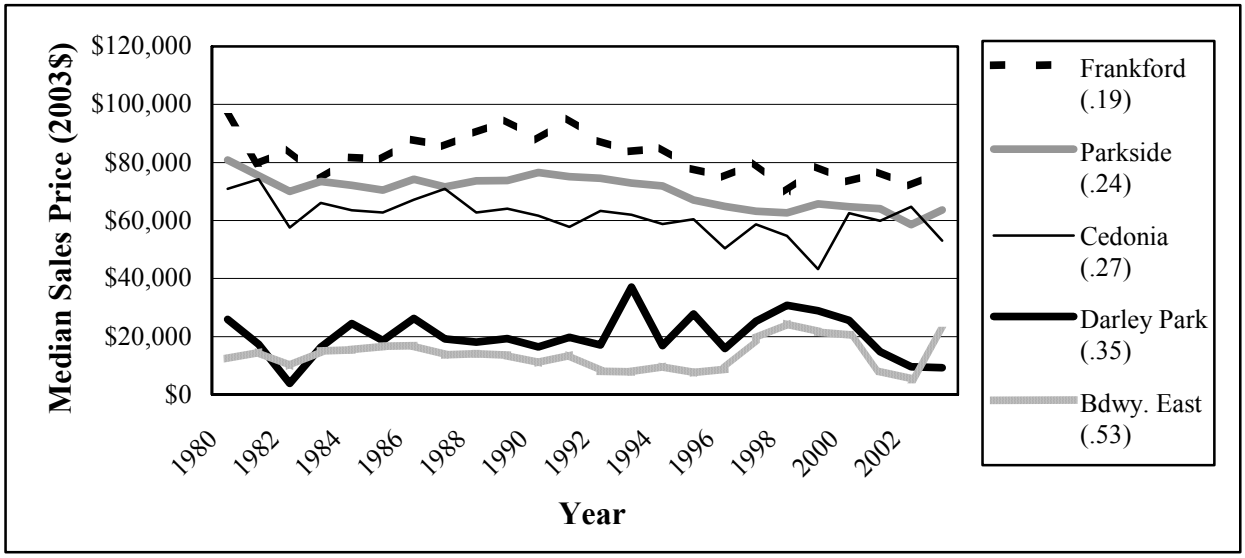
Threshold Effects

Four measures of quality--median residential sales prices, abandoned housing, non- two-parent households, and educational attainment--offer some support for a poverty threshold beyond which neighborhood quality declines dramatically.

Median Residential Sales Prices

As shown in Figure 6.6, the low-poverty neighborhood has consistently had the highest median residential sales price since 1980, with the middle-poverty neighborhoods Parkside (.24) and Cedonia (.27) close behind. There is then a sizable gap to the middle-poverty neighborhood Darley Park (.35) and high-poverty neighborhood, which have far lower sales prices. The difference in median residential sales price between two middle-poverty neighborhoods, Cedonia (.27)and Darley Park (.35), is consistent with a threshold effect. But it occurs at neither the 20 percent rate established by HUD's project-based voucher program nor the 40 percent rate referred to in the neighborhood poverty literature (e.g., Jargowsky 1997). Instead, the threshold occurs between 27 percent, represented by Cedonia, and 35 percent, represented by Darley Park. Although Darley Park's poverty rate was several percentage points lower than Cedonia's in 1980 and 1990 (shown earlier in Figure 6.2), its median residential sales prices were substantially lower (roughly $40,000), possibly because high-poverty neighborhoods surround Darley Park.

Figure 6.6
Median Residential Sales Prices by Neighborhood, 1980-2003

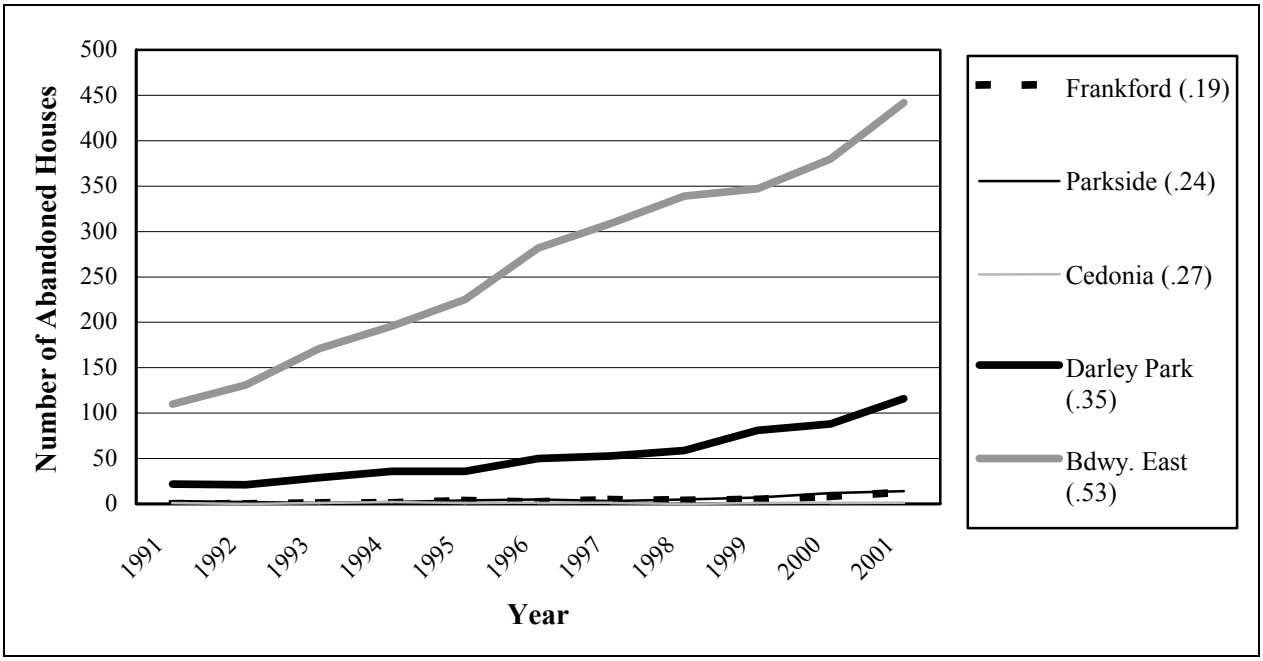


Sources: Baltimore City Mayor's Office of Information Technology (2000; 2003).

Abandoned Housing

A similar pattern pertains to abandoned housing, as shown in Figure 6.7. Although there is a large gap between the high-poverty neighborhood and the middle-poverty neighborhood of Darley Park (.35), the slope of the line plots for these two neighborhoods is similar. The remaining neighborhoods had little, or no, increases in abandonment. Again, then, if a threshold exists, these five study sites suggest that it occurs between 27 percent and 35 percent poverty.

Figure 6.7
Abandoned Housing by Neighborhood, 1991-2001

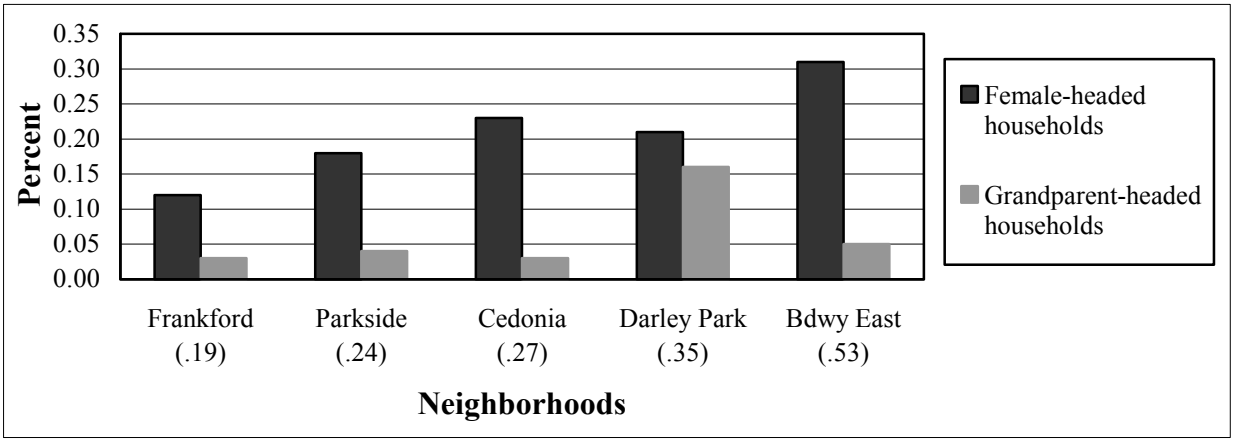


Source: Baltimore City Department of Housing and Community Development (2002b).

Non- Two-Parent Households

According to the Census Bureau, non- two-parent households include female-headed households with children under age 18 and households where grandparents are responsible for grandchildren under age 18. As shown in Figure 6.8, the combined fraction of these two categories of non- two-parent households shows the same potential threshold between the two middle-poverty neighborhoods Cedonia (.27) and Darley Park (.35).

Figure 6.8
Total Non Two-Parent Households by Neighborhood, 2000



Source: U.S. Bureau of the Census (2000).

Educational Attainment

Two measures of educational attainment--less than a high school diploma, and having at least a bachelor's degree--also suggest a possible threshold between poverty rates of 27 percent and 35 percent, as shown in Table 6.5. Cedonia's (.27) proportion of residents who did not complete high school is much lower than Darley Park's (.35), and Cedonia's (.27) proportion of residents with at least a bachelor's degree is much higher. All five neighborhoods followed the national trend of decreasing rates of high school non-completion.

Table 6.5
Educational Attainment by Neighborhood, 1990-2000

Measure	Frankford (.19)	Parkside (.24)	Cedonia (.27)	Darley Park (.35)	Bdwy. East (.53)
Percent completing less than high school, 2000	0.25	0.28	0.26	0.46	0.46
Percent completing less than high school, 1990	0.32	0.34	0.40	0.63	0.64
Percent receiving bachelor's degree or higher, 2000	0.13	0.11	0.08	0.03	0.04
Percent receiving bachelor's degree or higher, 1990	0.14	0.11	0.08	0.03	0.02

Sources: Wessex(1993); U.S. Bureau of the Census (2000).

The Poverty Trajectory

While the poverty trajectory is not a consistently better marker of neighborhood quality in these five case study neighborhoods, it provides insights into the patterns revealed in several neighborhoods. For example, the fact that the low-poverty neighborhood, Frankford (.19), is worsening on several measures is consistent with its poverty rate nearly doubling in the past 10 years. Similarly, the middle-poverty neighborhood Cedonia (.27) has had a stable poverty rate over 20 years, consistent with its stable quality despite deterioration in its adjacent neighborhoods.

Mitigating Factors

There is little variation in both age and race of residents in these neighborhoods. Therefore, there is no opportunity to examine whether either attribute mitigates the relationship between the neighborhood poverty rate and neighborhood quality.

There is some suggestion, however, that the poverty rates of adjacent neighborhoods may mitigate the relationship between poverty and quality. The middle-poverty neighborhood Darley Park (.35) is surrounded by five neighborhoods with 2000 poverty rates ranging from 14 percent to 53 percent (with a median 40 percent), as noted in Table 6.6. Recalling that nearly 25 percent of the residents of this neighborhood have incomes above $60,000, it is plausible that the negative spillover effects from the surrounding high-poverty neighborhoods may overwhelm the

ability of the affluent residents to buffer the effects of the neighborhood's relatively high poverty rate.

Table 6.6
Poverty Rates of Adjacent Tracts, 2000

Measure	Frankford (.19)	Parkside (.24)	Cedonia (.27)	Darley Park (.35)	Bdwy. East (.53)
Number of adjacent tracts	5	5	4	5	8
Range of poverty rates of adjacent tracts	.10 - .24	.06 - .20	.12 - .57	.14 - .53	.13 - .57
Median poverty rate of adjacent tracts	.13	.14	.21	.40	.31

Source: U.S. Bureau of the Census (2000).

Summary and Conclusions

Violent crime, the presence and activities of neighborhood-based organizations and neighborhood image had a roughly linear relationship to the neighborhood poverty rate in the five study sites: as neighborhood poverty increased, neighborhood quality decreased. But for a host of other measures of neighborhood quality, no linear pattern was to be found. Evidence of a tipping point or threshold between 27-35 percent poverty appears in several measures including the median residential sales price, measures of educational attainment, household type, and abandoned housing.

Although the poverty trajectory does not appear to be a consistently better marker of neighborhood quality than the static poverty rate, it is more informative in several of the study sites. While neither age nor race appear to mitigate the relationship between poverty and quality, the poverty rate in adjacent neighborhoods seems to play such a role, but again, only in some of these neighborhoods. The underclass is the only indicator we found to be a potential alternative to the neighborhood poverty rate, though it, too, does not follow an entirely consistent pattern.

Evidence of a possible threshold effect was observed in four measures: median residential sales prices; abandoned housing; non- two-parent households; and educational attainment. But for these five neighborhoods, the threshold appears to hit at between 27-35 percent poverty--not the 20 percent used by HUD, nor the 40 percent often relied on in the research literature.

Appendix Table 6.1
Demographic Characteristics by Neighborhood, 1980-2000

Measure	Frankford (.19)	Parkside (.24)	Cedonia (.27)	Darley Park (.35)	Bdwy. East (.53)
Population					
Total population, 2000	4847	5874	2000	2324	2407
Total population, 1990	4280	2873	4976	5678	3124
Total population, 1980	4784	3134	5188	6032	3353
Race					
Percent black population, 2000	0.70	0.85	0.93	0.97	0.98
Percent black population, 1990	0.52	0.55	0.92	0.99	0.98
Percent black population, 1980	0.43	0.36	0.77	0.98	0.98
Percent white population, 2000	0.27	0.12	0.04	0.01	0.01
Percent white population, 1990	0.46	0.43	0.06	0.01	0.01
Percent white population, 1980	0.56	0.63	0.20	0.01	0.02
Age					
Percent population > age 65, 2000	0.11	0.07	0.04	0.15	0.13
Percent population > age 65, 1990	0.11	0.12	0.02	0.12	0.07
Percent population > age 65, 1980	0.10	0.12	0.02	0.09	0.05
Percent population < age 18, 2000	0.23	0.28	0.31	0.28	0.30
Percent population < age 18, 1990	0.22	0.23	0.35	0.28	0.35
Percent population < age 18, 1980	0.21	0.21	0.35	0.31	0.37
Percent of males 16+ employed					
2000	0.62	0.60	0.81	0.49	0.34
1990	0.75	0.73	0.70	0.47	0.46

Sources: Geolytics (2000); Wessex (1993); U.S. Bureau of the Census (2000).

Appendix Table 6.2
Violent Crime by Neighborhood, 1990-2002

	Frankford (.19)	Parkside (.24)	Cedonia (.27)	Darley Park (.35)	Bdwy. East (.53)
Violent crime per 1,000 residents (number)					
2002	15.68 (76)	12.60 (74)	23.00 (46)	33.56 (78)	36.14 (97)
2001	14.85 (72)	15.49 (91)	27.50 (55)	46.47 (108)	51.52 (124)
2000	15.89 (77)	15.83 (93)	29.00 (58)	30.98 (72)	49.02 (118)
1990	11.76 (57)	9.70 (57)	35.50 (71)	43.89 (102)	68.55 (165)

Source: Baltimore City Police Department (2002).

Appendix Figure 6.1
Community Organizations by Neighborhood

Neighborhood Affected	Name of Organization	Description of Services and Impact on Neighborhood	Annual Budget (2002)
Frankford	Frankford Improvement Association	Community relations and improvement	Less than $4,000
Parkside	Parkside Improvement Association	Community relations and improvement	Minimal Budget
Frankford and Parkside	Gardenville/ Belair Road Business Association	Forum for discussion of issues affecting businesses along Belair Road and Frankford Avenue	Minimal Budget
Cedonia	Cedonia Community Association	Community relations and improvement	Minimal Budget
Darley Park	South Darley Park Community association	Community relations and improvement	Minimal Budget
	Darley Park Community Association, Inc.	Community relations and improvement	Minimal Budget
Bdwy. East	Community Association of Port Street	Community solutions for problems with crime, drugs, housing and education.	Minimal Budget
	Bdwy. East Community Association	Community relations and improvement.	Minimal Budget
	Turning Point Clinic	7,000 square foot heroin recovery clinic; expected capacity up to 3000 patients; could become the largest methadone facility in Maryland.	Clinic established in 2003. No estimate of budget available yet.

Sources: Expert Interviews (2003).

Appendix Table 6.3
On-Site Observations by Neighborhood, 2003

Measure	Frankford (.19)	Parkside (.24)	Cedonia (.27)	Darley Park (.35)	Bdwy. East (.53)
Broken windows	1.0	1.0	0.8	1.8	2.4
Graffiti	1.0	1.2	0.8	1.8	2.8
Trash	2.5	1.6	2.0	2.4	2.8
Boarded up	1.0	1.2	0.8	2.8	3.2
Disrepair	2.0	1.8	1.6	2.8	3.0
Vacant	1.0	1.0	0.8	1.0	1.6
Lights	3.3	3.2	2.6	2.4	2.4
Trees	4.0	4.0	3.2	3.0	1.8
Beautification efforts	3.3	4.2	2.6	3.0	2.2
Sidewalks	1.8	2.4	1.4	2.4	2.4
Undesirable land use	1.0	5.0	1.0	1.0	1.0
Parks/Playgrounds	4.0	2.0	1.0	2.0	2.0
Trash	1.0	1.0	0.0	2.0	2.0
Supermarkets	1.0	1.0	2.0	1.0	1.0
Corner stores	2.0	2.0	2.0	2.0	2.0
Restaurants	2.0	2.0	3.0	1.0	1.0
Businesses	3.0	2.0	3.0	2.0	2.0
Number of streets observed	4.0	5.0	5.0	5.0	5.0
Total number of streets	21.0	25.0	50.0	14.0	19.0

Source: On-site observations of the following fraction of blocks, by neighborhood: Frankford (11%); Parkside (17%); Cedonia (20%); Darley Park (27%); Bdwy. East (28%) (2003).
Note: Rated on a scale where 1=No presence; 5=Overwhelming presence.

Appendix Figure 6.2
Economic Investment Activity by Neighborhood, 2002-2003

Neighborhood	Activity	Description of Services and Impact on Neighborhood	Budget (2002)	Funding Sources
Parkside (.24)	Belair-Edison Neighborhoods, Inc.	Neighborhood revitalization. Limited activity in the 4200 to 4400 blocks of Parkside Drive.	$ 370,000	Public/Private funds.
Cedonia (.27)	Frankford Estates Development	Streuver Rouse Homes and Doracon designed community of 190 new, affordable family homes ($90,000 to $150,000); new community is replacing old Strathdale apartments, razed in 1990.	NA	3 Sources of public funding: $1.8 million from state, $800,000 from Baltimore City, $1.3 million in TIF's.
Bdwy. East (.53)	East North Avenue Community Development Corporation	Commercial development along North Avenue from Aisquith to Milton; currently inactive. Organizers establishing new council.	NA	NA
	Historic East Baltimore Community Action Coalition	Community development and housing renovation in East Baltimore Empowerment Zone south of Federal Street; no activity in the five neighborhoods.	$ 2,597,950	City of Baltimore; Johns Hopkins University; $34 million in federal funds since 1995.
	Turning Point Clinic	28 new full time salary paying ($20-80,000) jobs to run new Methadone Clinic. Clinic sponsored by the New Life Evangelical Church.	No estimate available.	$1.7 million almost totally paid for by the city.
	Middle East Development Corp.	Community Housing Development in Empowerment Zone; no activity in five neighborhoods.	$ 500,000	Public/Private funds.
Darley Park (.35) and Bdwy. East (.53)	East Baltimore Community Corporation, Inc.	Serves Empowerment Zone, south of Federal Street. No activity in five neighborhoods but residential access to drug and juvenile delinquent counseling, literacy and computer classes.	$ 3.7 million	Public/Private funds. Details unavailable.
	East Baltimore Midway/ Barclay Community Development Corporation, Inc.	Housing, day care and community development for East Baltimore/Midway. No activity in five neighborhoods.	$ 280,000	Public/Private funds. Details unavailable.

Sources: Baltimore Neighborhood Indicators Alliance (2003); Expert Interviews (2003); Guidestar (2003).
Note: NA = not available.

Appendix Table 6.4
School Quality by Neighborhood, 1993-2002

Measure	Frankford (.19) Furley Elem.	Parkside (.24)	Cedonia (.27) Moravia Park Elem.	Darley Park (.35) Harford Heights Elem.	Bdwy. East (.53)
MSPAP - Percent Satisfactory					
3rd grade reading, 2002	2.9	NA	13.8	3.8	N/A
3rd grade reading, 2001	13.3	NA	30.6	11.7	N/A
3rd grade reading, 2000	9.5	NA	38.6	7.1	N/A
3rd grade reading, 1999	7.5	NA	17.3	10.1	N/A
3rd grade reading, 1998	12.0	NA	21.2	16.5	N/A
3rd grade reading, 1997	12.0	NA	13.2	6.5	N/A
3rd grade reading, 1996	11.5	NA	13.9	8.8	N/A
3rd grade reading, 1995	11.8	NA	10.9	4.4	N/A
3rd grade reading, 1994	1.7	NA	4.2	5.4	N/A
3rd grade math, 2002	0.0	NA	6.8	3.7	N/A
3rd grade math, 2001	7.3	NA	36.3	19.4	N/A
3rd grade math, 2000	4.7	NA	22.6	3.7	N/A
3rd grade math, 1999	4.1	NA	9.2	4.8	N/A
3rd grade math, 1998	2.3	NA	8.5	15.9	N/A
3rd grade math, 1997	2.0	NA	8.4	5.5	N/A
3rd grade math, 1996	2.9	NA	14.5	12.1	N/A
3rd grade math, 1995	15.1	NA	9.4	5.3	N/A
3rd grade math, 1994	4.3	NA	7.7	3.0	N/A
3rd grade math, 1993	2.5	NA	6.8	0.7	N/A

Source: Maryland State Department of Education (2003).
Note: MSPAP = Maryland State Performance Assessment Program, NA = not available.

CHAPTER 7
NORTH AVENUE MOBILITY CORRIDOR

Executive Summary

The North Avenue Mobility Corridor roughly approximates one of the migration pathways out of the city and into Baltimore County. It includes the neighborhoods of Walbrook (.19), Rosemont-Winchester ("Winchester") (.23), West Forest Park ("W.F. Park") (.27), Lower End of Reservoir Hill ("Reservoir Hill") (.33), and Upton (.45).

Our analysis revealed neither strong correlations between poverty rates and neighborhood quality, nor support for a 20 percent or 40 percent poverty threshold. In fact, although W.F. Park (.27) is a middle-poverty neighborhood, it mirrors the quality of the lowest-poverty neighborhood, Walbrook (.19). By contrast, Winchester (.23), another middle-poverty neighborhood, consistently mirrors the two highest-poverty neighborhoods.

We found no evidence that race mitigates the relation between neighborhood poverty and neighborhood quality, but did observe a linear relationship between age and the poverty rate: as the proportion of residents under age 18 increases, the neighborhood poverty rates increase. The poverty rates of adjacent neighborhoods may also be influential in mitigating the effects of poverty on neighborhood quality.

The location and physical attributes of the middle-poverty neighborhood W.F. Park (.27) may help explain the erratic pattern that characterizes the poverty-quality relationship in this neighborhood. Its location near the city's borders, its proximity to lower-poverty neighborhoods, and the presence of large forested areas within its boundaries may contribute to its relatively higher quality.

Neighborhood Locations and Background

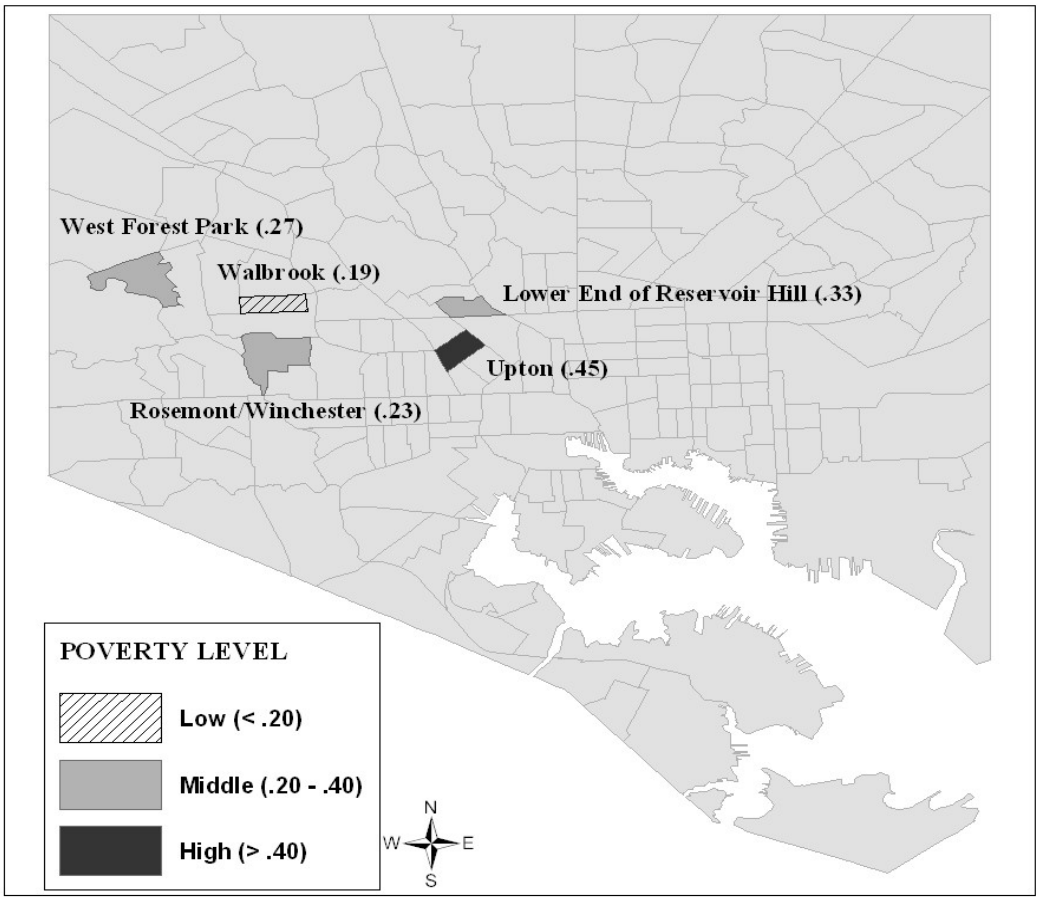
As shown in Figure 7.1, the five neighborhoods addressed in this chapter are located west of Charles Street near North Avenue. Walbrook (.19) is located north of North Avenue, and is bounded by Gwynns Falls Road on the north, Clifton Avenue on the south, Braddish Avenue on the east, and Denison Avenue on the west.

Winchester (.23) is located south of North Avenue and is bounded by Presbury Street and Baker Street on the north, Riggs Avenue and Mosher Street on the south, Braddish Avenue and Rosedale Street on the east, and Hilton Street on the west.

W.F. Park (.27) is furthest west and is bounded to the north by Forest Park Avenue, to the south by Monticello Road, to the east by Grenada Avenue, Loudin Avenue, and Clifton Road, and to the west by Wetheredsville Road. Nearly half the tract is within Gwynns Falls Park.

Reservoir Hill (.33), located south of Druid Hill Park and north of Bolton Hill, is furthest east and is bounded on the north by Whitelock Street and Newington Avenue, on the south by North Avenue, to the east by Interstate 83, and to the west by Eutaw Place.

Figure 7.1
Geographic Location of Neighborhoods



Upton (.45) is bordered to the north by Laurens Street, to the south by East Lafayette Avenue, to the east by Jordan Street, and to the west by Fremont Avenue.

Table 7.1 lists these five study sites along with their 2000 poverty rate and census tract

Table 7.1
Study Neighborhoods, Poverty Rates and Tract Numbers

Neighborhood	Poverty Rate	Census Tract
Low-poverty		
Walbrook	19	1507.02
Middle-Poverty		
Winchester	23	1607.00
West Forest Park	27	2803.02
Lower End of Reservoir Hill	33	1302.00
High-poverty		
Upton	45	1402.00

Source: U.S. Bureau of the Census (2000).

number. As in the other neighborhood analysis chapters in this report, these neighborhoods are grouped by their poverty rates into low, middle, and high categories.

Neighborhood Background

The following section is based on on-site observations of 29 to 44 percent of blocks in each neighborhood, 16 interviews with both arm's length experts and neighborhood residents, and a review of articles and history in the Baltimore Sun and City of Baltimore website. A brief description of each neighborhood follows. Additional demographic and socioeconomic data appear in Appendix Tables 7.1 and 7.2.

Walbrook (.19)

Walbrook (.19) is a small residential neighborhood located above North Avenue. Popular throughout the 1930s and 1940s, it boasted several influential residents, including a former mayor of Baltimore. Though the neighborhood retains some of its turn-of-the-century architecture, it also includes more modern single-family dwellings and rowhouses (City of Baltimore 2003).

Rosemont-Winchester (Winchester) (.23)

Winchester (.23) is a sprawling, hilly neighborhood that includes sections of both the Rosemont and Winchester neighborhoods. It is the largest of the five case study neighborhoods, with a population nearly twice the size of the next largest neighborhood, Upton (.45). Before 1960, Rosemont was a sought after as a place to live, but the proposed construction of an interstate reportedly spurred many residents to leave the area, contributing to its deteriorating reputation. Ironically, the interstate was never built (Fields 2003).

West Forest Park (W.F. Park) (.27)

W.F. Park (.27) is located close to the city limits and neighbors Central Forest Park and Forest Park Golf Course. It has the smallest population of the five neighborhoods. The neighborhood features quality housing characterized by two distinct styles: the older, more expansive homes in its southern end, and the small, homogeneous single- and multifamily dwellings that populate the northern end. W.F. Park (.27) is a bedroom community lacking commercial activity, giving it a distinctly suburban feel.

Lower End of Reservoir Hill (Reservoir Hill) (.33)

Reservoir Hill was once considered an extremely sought-after address, and this legacy remains visible in the sweeping, albeit faded, grandeur of many of the neighborhood's rowhomes. Concerted government support and active community involvement have led to revitalization activity in Reservoir Hill (.33), as has the spillover from the gentrification of nearby Bolton Hill (Fields 2002). One resident stated that Lower Reservoir Hill is "the City's favorite poor neighborhood." The John Eager Howard Elementary School and Recreation Center is central to the neighborhood, both geographically and socially.

Upton (.45)

Located close to downtown Baltimore, Upton (.45) is a significant cultural and spiritual center for the black community. A statue of Billie Holliday and a mural of Justice Thurgood Marshall, the latter a former resident of Upton's Marble Hill district, pay tribute to the neighborhood's historic role. The neighborhood's famed Pennsylvania Avenue once contained fashionable shops and nightclubs, but now primarily features dollar stores, carryout restaurants, and the recently renovated market known as "The Avenue" (Siegel 1996). The community has experienced a decline over the past 30 years, but an effort to revitalize the neighborhood is underway (City of Baltimore 2003).

Preview of Findings

Across a wide range of quality domains and numerous individual measures, we found no consistent evidence of a relationship between the neighborhood poverty rate and neighborhood quality. While the low- and high-poverty neighborhoods often matched expectations, an erratic pattern among the middle-poverty neighborhoods undercut the relationship between poverty rates and quality measures. On numerous indicators, the middle-poverty neighborhood of Winchester (.23) performed similarly to that of the high-poverty neighborhood Upton (.45), while W.F. Park (.27), another middle-poverty neighborhood, had a quality consistent with--and at times better than--the low-poverty neighborhood Walbrook. Our data analysis, supported by neighborhood interviews and observations, also suggests that the poverty threshold levels of 20 percent and 40 percent are not grounded in evidence, at least in these five neighborhoods. The presence of an underclass, access to community role models, and the poverty rates of adjacent tracts appear to influence neighborhood quality.

Evidence of Linear Effects

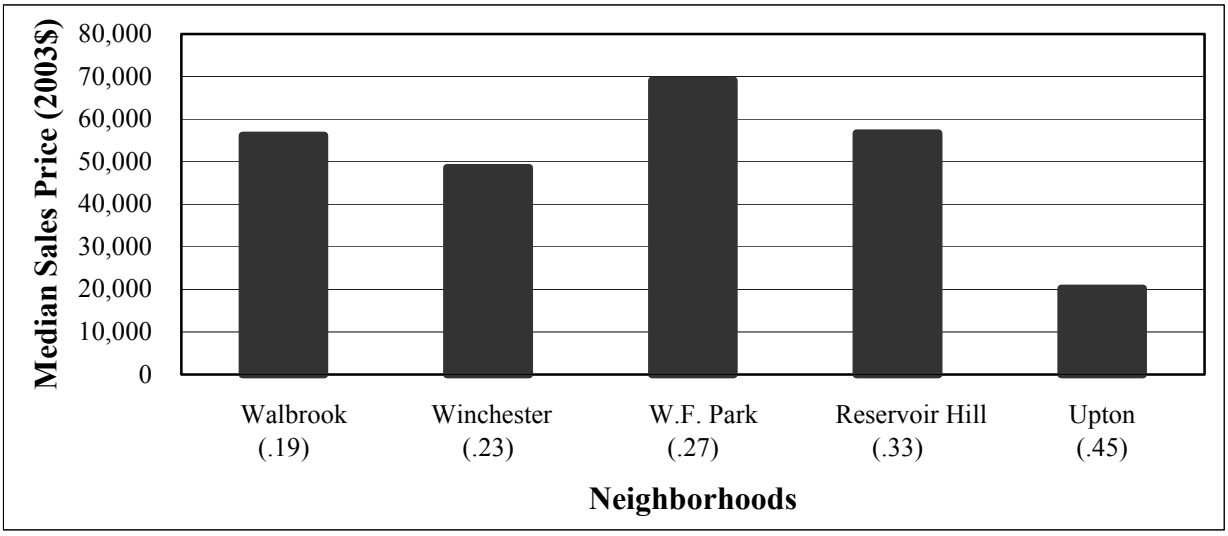
There was a generally linear relationship between neighborhood poverty rates and neighborhood quality when comparing the lowest-poverty neighborhood Walbrook (.19) against the highest-poverty neighborhood Upton (.45). However, when all five neighborhoods are considered, the evidence of linearity disappears. Two of the middle-poverty neighborhoods, Winchester (.23) and W.F. Park (.27), consistently exhibited an erratic pattern. With a poverty rate of 27 percent, W.F. Park mirrors the quality of the lowest-poverty Walbrook (.19) neighborhood, while Winchester (.23) exhibits qualities similar to those of the two highest-poverty neighborhoods: Reservoir Hill (.33) and Upton (.45). This pattern applies to both negative measures (such as crime and child abuse) and positive measures (such as affluence and employment rates).

Median Residential Sales Prices

Median residential sales prices provide one illustration of the expected pattern for the lowest- and highest-poverty neighborhoods, along with pronounced nonlinearities between these two extremes. As shown in Figure 7.2, the middle-poverty neighborhood W.F. Park (.27) has the highest median sales price of all five neighborhoods, while the median price in the next-to-

highest poverty neighborhood, Reservoir Hill (.33), is slightly higher than that of the lowest-poverty neighborhood.

Figure 7.2
Median Residential Property Sales Price
by Neighborhood, 2000

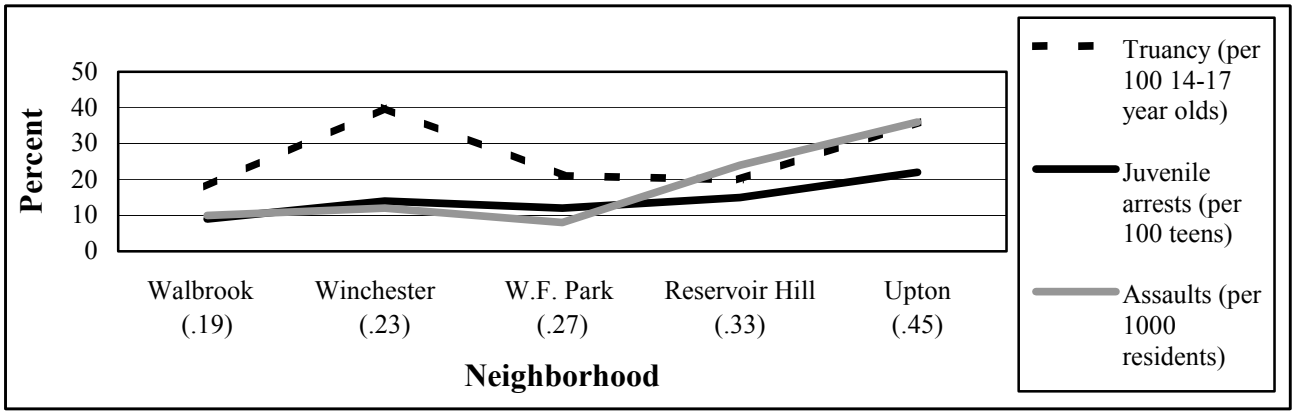


Sources: Baltimore City Mayor's Office of Information Technology (2000; 2003).

Crime

Measures of crime provide another example of linearity between the lowest- and highest-poverty neighborhoods, but erratic patterns exist between these two polar extremes. As shown in Figure 7.3, the truancy rate for the middle-poverty neighborhood, Winchester (.23), was greater than that for the high-poverty neighborhood, Upton (.45), while the truancy rate for another

Figure 7.3
Truancy and Juvenile Crime by Neighborhood, 2000



Sources: Baltimore City Public School System (2003); Baltimore City Police Department (2002); Baltimore City Police Department Juvenile Detention Unit (2002).
Note: Larceny is the unlawful taking away of property from the possession of another in which no use of force, violence, or fraud occurs. It includes crimes such as shoplifting and pocket picking.

middle-poverty neighborhood, Reservoir Hill (.33), was similar to that of the low-poverty neighborhood, Walbrook (.19). (More complete crime data are shown in Appendix Table 7.3.)

Image

As shown in Figure 7.4, perceptions of the five neighborhoods by both those living and working there, and by arm's length experts, are consistent with our analysis of the quantitative measures. In three out of four interviews, residents stated that they perceive Winchester (.23), a middle-poverty neighborhood, to be a desirable place to live, though they recognize that outsiders view it as less desirable. In two interviews, one with an outside expert and another with a neighborhood resident, W.F. Park (.27), another middle-poverty neighborhood, is predominantly positive; it is seen as one of the better neighborhoods in Baltimore. Reservoir Hill (.33), the highest middle-poverty neighborhood, is portrayed in the media (Siegel 2003) and viewed by the majority of arm's length experts and residents as a neighborhood in transition, having changed from being one of the worst in the city to being one of the most promising. The three residents and one expert we interviewed attribute this change in large part to the existence of strong community ties among residents and active leadership on the part of neighborhood organizations (see Appendix Figure 7.1).

Figure 7.4
Neighborhood Image
by Neighborhood, 2003

Measure	Walbrook (.19)	Winchester (.23)	W.F. Park (.27)	Reservoir Hill (.33)	Upton (.45)
Perception of neighborhood in 2000	+	-	+	+	-
Perception of neighborhood in 1990	+	+	+	-	-

Sources: 16 resident and expert Interviews, October-November 2003.
Note: Note: + indicates a generally positive impression of the neighborhood and - indicates a negative impression.

All four residents and experts interviewed expressed the belief that non-residents held a negative perception of Upton (.45), mainly because of high levels of crime and drug activity within the neighborhood. Despite this high-poverty neighborhood's negative image, both its residents and outside experts credit recent revitalization plans (including the City's Main Streets program) with strengthening social ties and increasing community participation.

Nonlinearities

Physical Quality

On-site observations revealed no linearity between neighborhood poverty rates and neighborhood quality measures across all five neighborhoods (see Appendix Table 7.4). Generally, Walbrook (.19) and Upton (.45) tend to exhibit high and low quality physical

environments, respectively. However, the performance within the middle-poverty neighborhoods again reveals an erratic pattern. Over a number of measures, West Forest Park (.27) was observed to have an equal or higher level of quality than the lowest-poverty neighborhood Walbrook (.19). Rosemont-Winchester (.23) ranked as poorly or worse on measures of trash, boarded-up buildings, and signs of disrepair than the highest poverty neighborhood, Upton (.45).

School Quality

Examination of available CTBS and MSPAP scores also reveals no linear relationship between neighborhood poverty rates and neighborhood quality. CTBS scores for the middle-poverty neighborhoods were as high as, or better than, scores for the low-poverty neighborhood, with the lowest-poverty neighborhood not far behind in some years. In all five neighborhoods, CTBS scores increased from 1998 to 2001. MSPAP scores were very erratic, both across neighborhoods and over time in each neighborhood. (See Appendix Table 7.5.)

Threshold Effects

Across the multiple measures we analyzed for these five neighborhoods, we found no evidence to support a 20 percent poverty threshold, since a middle-poverty neighborhood, W.F. Park (.27), consistently parallels or surpasses the lowest-poverty neighborhood, Walbrook (.19).

The evidence regarding a 40 percent threshold is mixed. As shown in Table 7.2, three of the five indicators examined support the presence of a 40 percent threshold: median sales price, percent female-headed household, and median household income. However, even though Upton (.45) exhibits poorer quality than most of the neighborhoods that have less than 40 percent poverty, it outperforms Winchester (.23) on percent male employed and high school education, calling into question the existence of a 40 percent threshold.

Table 7.2
Evidence of 40 Percent Threshold
by Neighborhood, 2000

	Walbrook (.19)	Winchester (.23)	W. F. Park (.27)	Reservoir Hill (.33)	Upton (.45)
Median sales price (2000$)	$52,000	$45,000	$63,950	$52,500	$18,716
Percent female-headed household	.12	.16	.27	.25	.38
Percent male employed	.53	.42	.62	.57	.55
Median household income	$32,989	$26,200	$26,432	$27,356	$20,714
High school and above	.74	.54	.77	.79	.64

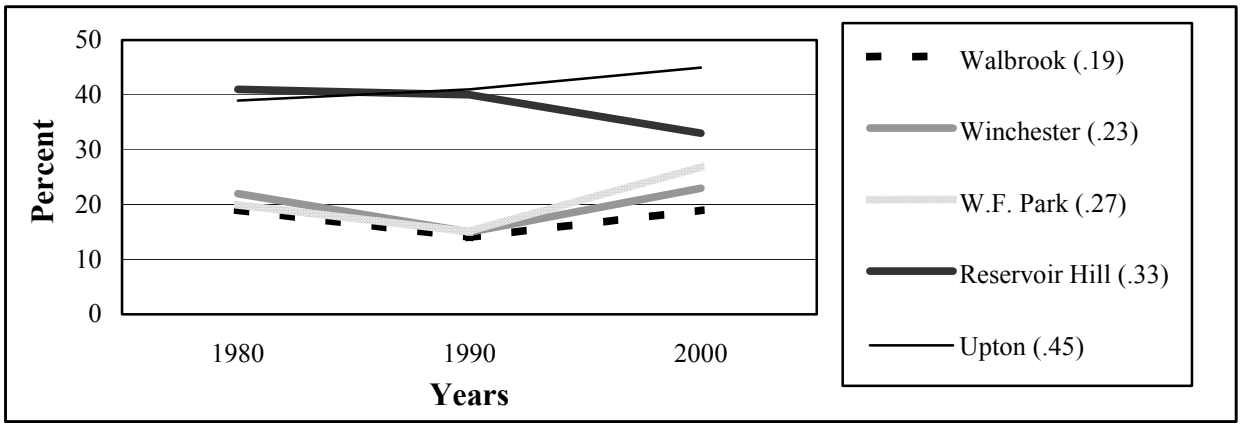
Sources: U.S. Bureau of the Census (2000); Baltimore City Mayor's Office of Information Technology (2000; 2003).

Poverty Trajectory

The poverty trajectory in these five neighborhoods is shown in Figure 7.5. By and large, the trend in a neighborhood's poverty rate was not a consistently better marker of the neighborhood's quality than its poverty rate in 2000. For example the male employment rate declined in Reservoir Hill (.33), which experienced a decline in the poverty rate over the past 20 years and an increasingly positive image. But the male employment rate increased in Upton (.45), where the poverty rate increased since 1980. Additionally, the fraction of households headed by a female and the proportion of the population with a high school diploma increased in both neighborhoods. And although the median sales price in 2000 is more than twice as high in Reservoir Hill (.33), where the poverty rate is falling, compared to Upton (.45), where it is increasing, the trajectory provides few insights into this differential. In fact, the median residential sales price in Upton (.45) increased by more than 50 percent between 1990 and 2000 (in inflation adjusted dollars) at the same time that the poverty rate increased by about 13 percent.

Finally, in W. F. Park (.27), although the poverty rate increased by 12 percentage points between 1990 and 2000, this neighborhood ranks similarly to the lowest-poverty neighborhood on multiple measures of quality, further illustrating the inconsistent relationship between the poverty trajectory and neighborhood quality.

Figure 7.5
Poverty Trajectory by Neighborhood, 1980-2000

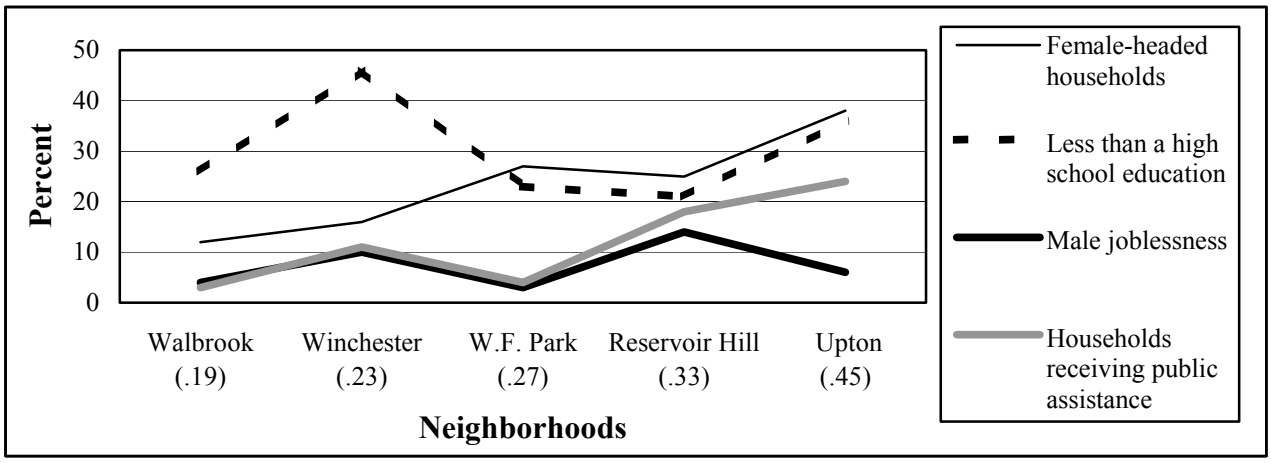


Sources: Geolytics (2000); Wessex (1993); U. S. Bureau of the Census (2000).

The Underclass

Measures of the underclass do not correlate consistently with the poverty rates of these case study neighborhoods of the North Avenue Mobility Corridor. As shown in Figure 7.6, although the highest-poverty neighborhood clearly ranks highest on three underclass measures, it ranks in the mid-range for these neighborhoods on male joblessness. At the opposite extreme, a middle-poverty neighborhood has a non-high school degree rate that is more than one-third higher than that for the highest-poverty neighborhood.

Figure 7.6
Underclass Measures by Neighborhood, 2000

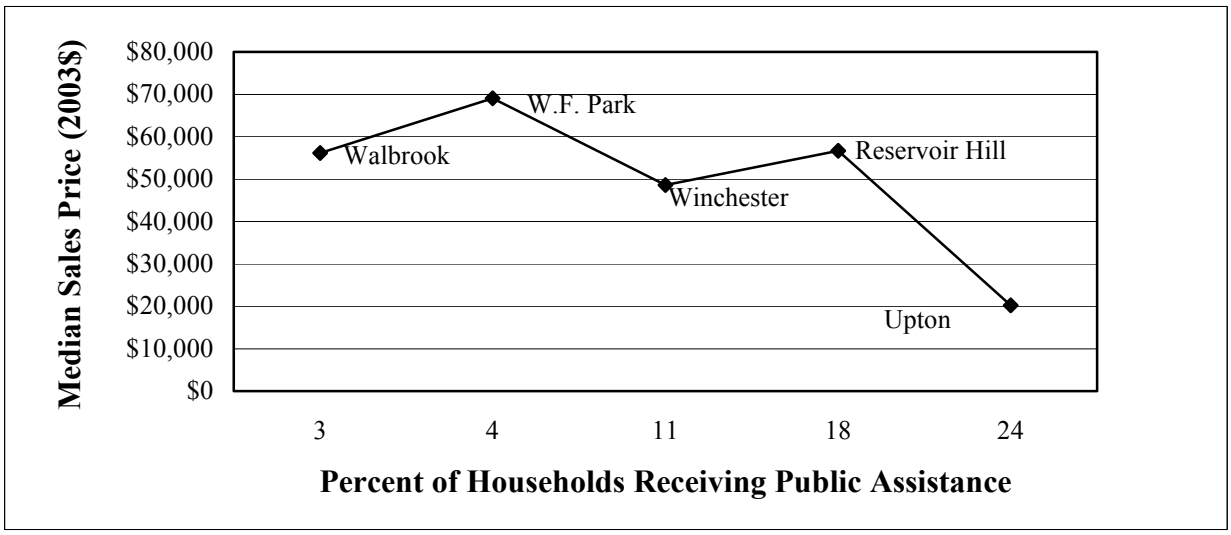


Source: U.S. Bureau of the Census (2000).

The Underclass as a Measure of Neighborhood Quality

To assess whether the presence of an underclass can be used as an alternative marker of neighborhood quality, we looked at the four underclass measures in relation to various indicators of neighborhood quality, such as median residential sales price and aggravated assaults. There was no evidence of a linear relationship with any of the indicators we examined. For example, as the percent of households receiving public assistance increases, there is an overall decrease in the median residential sales price. However, this is not a purely linear relationship as seen in Figure 7.7. This lack of a linear relationship leads us to conclude that the underclass is not a good alternative marker of neighborhood quality for these neighborhoods.

Figure 7.7
Percent of Households Receiving Public Assistance and Median Residential Sales, 2000

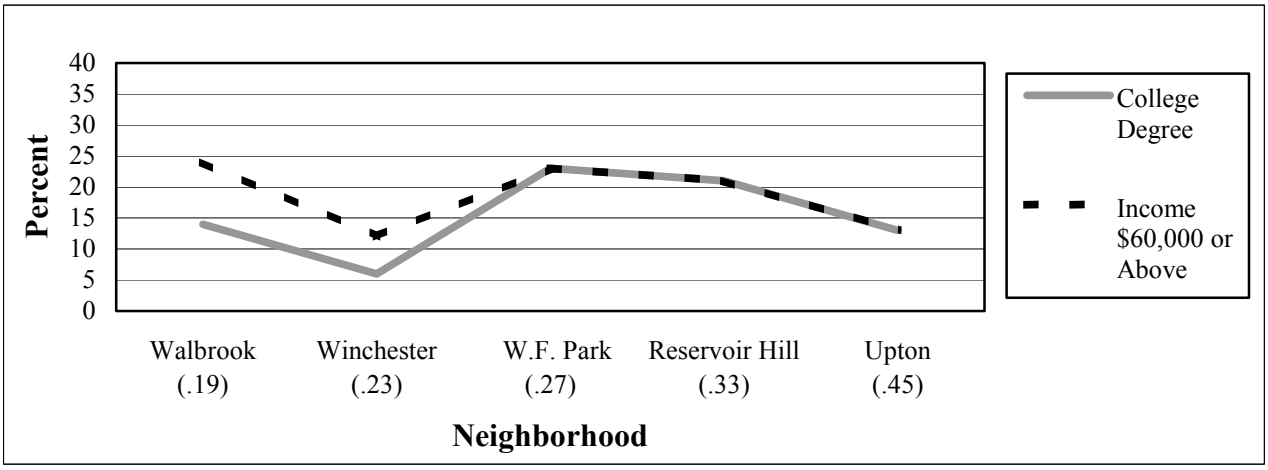


Sources: U.S. Bureau of the Census (2000); Baltimore City Mayor's Office of Information Technology (2000; 2003).

Affluence and Education

The theories reviewed in Chapter 2 suggest that indicators of potential role models--education and affluence--may provide insight into neighborhood quality and neighborhood poverty. As seen in Figure 7.8, the middle-poverty neighborhood Rosemont-Winchester (.23) under-performs the highest poverty neighborhood Upton (.45) on both measures, while another middle-poverty neighborhood West Forest Park (.27) reveals higher levels than expected, achieving parity with or outperforming Walbrook (.19), the lowest-poverty neighborhood.

Figure 7.8
Affluence and Education by Neighborhood, 2000



Source: U.S. Bureau of the Census (2000).

Mitigating Factors

Race

Because the population in all five case study neighborhoods has been overwhelmingly and stably black since 1980 (see Appendix Table 7.1), race did not mitigate the relationship between poverty and quality.

Age

Although these neighborhoods display a positive relationship between poverty and the percent of the population under the age of 18, the fraction of such residents is too small in any neighborhood to consider it a mitigating factor (see Appendix Table 7.1). Upton (.45), the high-poverty neighborhood, is the only neighborhood in which the under-18 population increased steadily over time, consistent with its increase in poverty. None of the five neighborhoods exhibits a predominance of elderly persons (see Appendix Table 7.1), and there is no clear relationship between poverty rates and the percent of the population over the age of 65. While there was a negative relationship between poverty and an over-65 population in Upton (.45), no other neighborhood exhibited this relationship.

Adjacency, Geography, and Physical Environment

One of the most intriguing questions raised by these five neighborhoods is why the middle-poverty neighborhood, W.F. Park (.27), is consistently similar to Walbrook (.19), the lowest-poverty neighborhood, rather than neighborhoods with comparable poverty rates. There is at least suggestive evidence that the poverty rate of adjacent neighborhoods may operate as a mitigating factor. In contrast to the other four neighborhoods, which are surrounded by middle- and high-poverty neighborhoods, W.F. Park (.27) is the only study census tract adjacent to low-poverty (i.e., 0-20 percent) tracts as well as middle-poverty tracts. In fact, it appears that at least 50 percent of W.F. Park's (.27) borders are surrounded by either low-poverty neighborhoods or one neighborhood with 21 percent poverty--just 1 percentage point beyond the low-poverty cutoff point for this study.

Geographic location and features of the physical environment also may play a role in explaining this middle-poverty neighborhood's apparently better quality than its poverty rate alone would suggest. As shown in the map in Figure 7.1, W.F. Park (.27) is the furthest west of the five neighborhoods, and is positioned near the city's western border. Half the neighborhood lies within Gwynns Falls Park, adding to its suburban feel. The housing stock offers quality homes at an affordable price in a tree-lined neighborhood that is less densely populated than many city neighborhoods. The neighborhood also maintains a strong reputation and has active residents and neighborhood associations. All of these factors--adjacency, geography, and physical environment--may help to solve this conundrum.

Summary and Conclusions

We did not find a linear relationship between neighborhood poverty rates and neighborhood quality. Although the low- and high-poverty neighborhoods often matched expectations, a recurring erratic pattern among the middle-poverty neighborhoods undercut the linear hypothesis. In most neighborhoods, the poverty trajectory was also, surprisingly, not a stronger indicator of neighborhood quality.

Measures of the underclass neither tracked the neighborhood poverty rates particularly well, nor were they consistently better markers of neighborhood quality. Perhaps the most interesting insight of this analysis is that the poverty rates of adjacent neighborhoods, location, and physical environment features--alone or in combination--may account for the higher than expected quality of one of the middle-poverty neighborhoods, W.F. Park (.27).

Appendix Table 7.1
Demographic Characteristics by Neighborhood, 1980-2000

Measure	Walbrook (.19)	Winchester (.23)	W.F. Park (.27)	Reservoir Hill (.33)	Upton (.45)
Population					
Total population, 2000	2556	6118	2347	3088	3290
Total population, 1990	3247	7096	2673	3412	3738
Total population, 1980	3563	7903	2967	4245	3309
Percent population under age 18, 2000	0.23	0.28	0.29	0.34	0.38
Percent population under age 18, 1990	0.25	0.25	0.27	0.28	0.36
Percent population under age 18, 1980	0.24	0.27	0.35	0.34	0.29
Percent population over age 65, 2000	0.22	0.17	0.13	0.05	0.06
Percent population over age 65, 1990	0.17	0.18	0.08	0.06	0.07
Percent population over age 65, 1980	0.12	0.13	0.04	0.04	0.11
Percent black population, 2000	0.98	0.98	0.94	0.90	0.95
Percent black population, 1990	0.99	0.99	0.95	0.90	0.97
Percent black population, 1980	0.99	0.98	0.94	0.92	0.96
Percent change in white population, 1990-2000	0.36	-0.38	-0.15	-0.27	0.08
Percent change in white population, 1980-1990	-0.14	-0.52	-0.20	0.25	-0.16
Education					
Percent of population with less than high school education, 2000	0.26	0.46	0.23	0.21	0.36
Percent of population with less than high school education, 1990	0.30	0.46	0.23	0.21	0.36
Percent of population with a bachelor's degree or higher, 2000	0.14	0.06	0.23	0.21	0.13
Percent of population with a bachelor's degree or higher, 1990	0.16	0.06	0.23	0.19	0.08
Household Characteristics					
Percent households owner-occupied, 2000	0.62	0.56	0.38	0.18	0.11
Percent households owner-occupied, 1990	0.64	0.55	0.34	0.18	0.13
Percent households owner-occupied, 1980	0.61	0.54	0.34	0.16	0.14
Percent vacant housing units, 2000	0.13	0.11	0.09	0.29	0.27
Percent vacant housing units, 1990	0.07	0.04	0.04	0.24	0.15
Percent vacant housing units, 1980	0.04	0.03	0.07	0.15	0.20
Total abandoned houses, 1991	5	14	4	60	117
Total abandoned houses, 1992	6	19	4	59	121
Total abandoned houses, 1993	6	17	4	78	127
Total abandoned houses, 1994	9	29	1	84	121
Total abandoned houses, 1995	16	36	2	73	108
Total abandoned houses, 1996	20	51	3	81	107
Total abandoned houses, 1997	22	77	6	96	134
Total abandoned houses, 1998	20	53	7	109	139
Total abandoned houses, 1999	18	63	8	101	136
Total abandoned houses, 2000	17	73	9	105	145

Sources: Geolytics (2000); Wessex (1993); U.S. Bureau of the Census (2000); Baltimore City Department of Housing and Community Development (2002b).

Appendix Table 7.2
Socioeconomic Characteristics by Neighborhood, 1980-2000

Income	**Walbrook (.19)**	**Winchester (.23)**	**W.F. Park (.27)**	**Reservoir Hill (.33)**	**Upton (.45)**
Median household income, 2000	$32,989.00	$26,200.00	$26,432.00	$27,356.00	$20,714.00
Median household income, 1990	$32,914.00	$29,905.00	$33,537.00	$25,350.00	$20,350.00
Median household income, 1980	$29,002.00	$25,567.00	$29,801.00	$18,188.00	$16,946.00
Percent households with income over $60,000, 2000	0.24	0.12	0.23	0.21	0.13
Employment					
Percent males 16 years and older in the labor force, 2000	0.57	0.51	0.65	0.71	0.61
Percent males 16 years and older in the labor force, 1990	0.69	0.62	0.78	0.70	0.58
Percent males 16 years and older employed, 2000	0.53	0.42	0.62	0.57	0.55
Percent males 16 years and older employed, 1990	0.61	0.50	0.75	0.58	0.50
Percent females 16 years and older in the labor force, 2000	0.56	0.51	0.58	0.62	0.59
Percent females 16 years and older in the labor force, 1990	0.60	0.55	0.74	0.55	0.61
Percent females 16 years and older employed, 2000	0.50	0.43	0.50	0.48	0.50
Percent females 16 years and older employed, 1990	0.56	0.49	0.63	0.45	0.49
Households/Families					
Total number of households, 2000	1025	2167	975	1219	1168
Total number of households, 1990	1172	2335	1038	1339	1320
Total number of households, 1980	1268	2372	1041	1518	1183
Percent female headed households, 2000	0.12	0.16	0.27	0.25	0.38
Percent female headed households, 1990	0.23	0.23	0.29	0.25	0.40
Percent female headed households, 1980	0.17	0.21	0.30	0.29	0.26
Percent married with children under 18, 2000	0.12	0.08	0.13	0.08	0.07
Percent married w/ children under 18, 1990	0.12	0.13	0.14	0.07	0.06
Percent married w/ children under 18, 1980	0.19	0.19	0.23	0.12	0.11
Percent grandparents w/ children under 18, 2000	0.07	0.11	0.07	0.06	0.06
Percent receiving public assistance, 2000	0.03	0.11	0.04	0.18	0.24

Sources: Geolytics (2000); Wessex (1993); United States Bureau of the Census (2000).

Appendix Table 7.3
Crime by Neighborhood, 1998-2002

Measure	Walbrook (.19)	Winchester (.23)	W.F. Park (.27)	Reservoir Hill (.33)	Upton (.45)
Property crime					
Larceny rate per 1000, 2002	16	15	19	33	37
Larceny rate per 1000, 2001	15	15	21	43	61
Larceny rate per 1000, 2000	32	18	17	39	67
Larceny rate per 1000, 1999	24	22	21	43	82
Larceny rate per 1000, 1998	25	25	20	56	83
Violent crime					
Aggravated assault rate per 1000, 2002	7	14	8	16	26
Aggravated assault rate per 1000, 2001	6	16	9	17	23
Aggravated assault rate per 1000, 2000	10	12	8	24	36
Juvenile arrest rate per 100 youths age 10-17					
2002	5	17	18	24	24
2001	8	18	12	19	21
2000	9	14	12	15	22
1999	8	16	12	15	15
1998	8	15	12	24	20
1997	4	15	11	21	21
1996	8	17	6	22	18
Truancy					
Percent truant grades 9-12, 2000	.28	.49	.36	.35	.48

Sources: Baltimore City Police Department (2002); Baltimore City Police Department Juvenile Detention Unit (2002); Baltimore City Public School System (2003).

Appendix Table 7.4
On-Site Observations by Neighborhood, 2003

Measure	Walbrook (.19)	Winchester (.23)	W.F. Park (.27)	Reservoir Hill (.33)	Upton (.45)
Broken windows	1.6	2.0	1.2	2.0	2.0
Graffiti	1.0	1.6	1.4	2.0	2.0
Trash	2.2	2.4	2.0	2.0	2.4
Boarded up buildings	2.0	2.4	1.6	3.0	2.4
Disrepair	1.8	2.2	1.4	2.4	2.0
Vacant lots	1.2	1.0	1.0	1.2	1.4
Street Lights	3.0	3.0	3.0	3.0	3.0
Trees	3.2	3.2	4.0	3.4	2.4
Beautification efforts	3.0	3.0	3.4	2.4	2.4
Sidewalks	2.4	3.6	3.6	2.6	3.0
Undesirable land use	1.0	1.0	1.0	2.0	2.0
Parks/playgrounds	2.0	3.0	1.0	2.0	3.0
Trash	1.0	3.0	1.0	1.0	3.0
Supermarkets	1.0	2.0	1.0	1.0	2.0
Corner stores	1.0	3.0	1.0	1.0	2.0
Restaurants	1.0	3.0	1.0	1.0	1.0
Businesses	2.0	3.0	1.0	2.0	2.0
Number of blocks observed (percent)	28 (44)	31 (29)	25 (44)	17 (39)	40 (29)
Total number of blocks	65	107	57	44	140

Source: On-site observation of 141 blocks (34 percent of all blocks in the five neighborhoods) (2003).
Note: Rated on a scale where 1=No presence; 5=Overwhelming presence.

Appendix Table 7.5
School Quality by Neighborhood, 1993-2002

Measure	Walbrook (.19) Gwynns Falls Elem.	Winchester (.23) Belmont Elem.	Winchester (.23) Rosemont Elem.	W.F. Park (.27)	Reservoir Hill (.33) John Eager Howard Elem.	Upton (.45) Eutaw Marshburn Elem.
MSPAP - Percent Satisfactory						
3rd grade reading, 2002	9.5	23.3	7.0	NA	4.4	10.1
3rd grade reading, 2001	25.0	17.1	8.5	NA	34.9	6.1
3rd grade reading, 2000	33.3	19.1	6.3	NA	30.0	17.7
3rd grade reading, 1999	16.7	5.2	2.9	NA	16.9	7.9
3rd grade reading, 1998	31.3	6.1	8.8	NA	22.1	7.2
3rd grade reading, 1997	5.7	4.9	3.7	NA	6.0	1.2
3rd grade reading, 1996	4.8	2.0	4.8	NA	2.9	10.1
3rd grade reading, 1995	7.3	0	12.5	NA	10.8	6.2
3rd grade reading, 1994	16.0	7.9	13.8	NA	7.7	6.2
3rd grade reading, 1993	--	--	--	NA	--	--
3rd grade math, 2002	16.7	14.9	11.9	NA	4.3	5.6
3rd grade math, 2001	15.3	11.6	5.3	NA	38.6	7.5
3rd grade math, 2000	5.6	14.6	3.8	NA	23.3	4.8
3rd grade math, 1999	9.0	7.4	1.4	NA	31.0	0
3rd grade math, 2000	5.6	14.6	3.8	NA	23.3	4.8
3rd grade math, 1999	9.0	7.4	1.4	NA	31.0	0
3rd grade math, 1998	23.4	1.5	5.8	NA	19.4	8.5
3rd grade math, 1997	6.7	6.6	1.8	NA	9.6	0
3rd grade math, 1996	0	2.0	0	NA	2.9	0
3rd grade math, 1995	12.7	6.4	20.8	NA	13.3	5.2
3rd grade math, 1994	58.0	28.9	17.2	NA	18.7	3.1
3rd grade math, 1993	2.0	6.3	31.7	NA	5.7	2.1
CTBS - Median National Percentile						
3rd grade math, 1998	22.0	11.0	9.0	NA	24.0	11.0
3rd grade math, 1999	39.0	12.0	6.0	NA	22.0	15.0
3rd grade math, 2000	34.0	28.0	23.0	NA	36.0	38.0
3rd grade math, 2001	41.0	24.0	20.0	NA	39.0	30.0
3rd grade reading, 1998	30.0	19.0	21.0	NA	29.0	22.0
3rd grade reading, 1999	34.0	26.0	15.0	NA	22.0	18.0
3rd grade reading, 2000	39.0	36.0	22.0	NA	29.0	39.0
3rd grade reading, 2001	41.0	16.0	29.0	NA	36.0	36.0

Sources: Maryland State Department of Education (2003); Baltimore City Public School System (2002).
Notes: MSPAP = Maryland State Performance Assessment Program; CTBS = Comprehensive Test of Basic Skills; NA = not available.

Appendix Figure 7.1
Economic Investment Activity by Neighborhood, 2002-2003

Neighborhood	Activity	Description of Services and Impact on Neighborhood	Budget	Funding Sources
Walbrook (.19)	Penn-North Revitalization Corp.	To revitalize the community socially and economically. Plan activities for community: provide food referrals, block clean-ups, youth programs, and lot beautification. Plan for new construction of low-income housing.	$55,784 (2002)	NA
	Southern Mondawmin Improvement Association	Assists residents of the city of Baltimore in efforts to improve their communities, living conditions, public schools and opportunities for adequate health care	NA	N/A
Winchester (.23)	Coppin Heights Community Development Corporation	Restoration of housing and general community development	$235,000 (2002)	NA
W.F. Park (.27)	Garwyn Oaks Housing Resource Center	NA	NA	NA
	GRACE – Garrison Boulevard area of Northwest Baltimore	Housing rehabilitation	NA	NA
Reservoir Hill (.33)	Jubilee Baltimore	To purchase, rehabilitate, and lease multi-family dwellings to qualified low-income tenants	$ 753,898 (2002)	NA
	Reservoir Hill Improvement Council, Inc.	To strengthen existing community associations. Start-up support for entrepreneur development project.	$0 (1998)	NA
	Preservation & Development Corporation of Reservoir Hill, Inc.	Housing support services	Under $25,000 (2002)	NA
	Reservoir Hill HOPE Community Development Corp.	Housing support services	NA	NA
Upton (.45)	Druid Heights Community Development Corp.	Community development services and construction and/or renovation of affordable housing for low- and moderate-income buyers	$1,042,796 (2002)	Public/Private funds

Sources: Baltimore Neighborhood Indicators Alliance (2003); Guidestar (2003).
Note: NA = not available.

CHAPTER 8
ALL TRACTS NOT ADJACENT

Executive Summary

The five neighborhoods discussed in this chapter are not adjacent and located throughout the western half of the city of Baltimore. We did not find a linear relationship between the neighborhood poverty rate and neighborhood quality. While the low-poverty neighborhood fared better than the high-poverty neighborhood on nearly all measures, there was significant variation among the middle-poverty neighborhoods. On some measures, middle-poverty neighborhoods demonstrated poorer neighborhood quality than the high-poverty neighborhood. Curiously, the middle-poverty neighborhood Dickeyville (.26) had equal, and sometimes better, quality than the low-poverty neighborhood.

We also did not find a threshold effect at either 20 percent poverty or at 40 percent poverty. While in one middle-poverty neighborhood, Cylburn (.21), measures of neighborhood quality declined significantly beyond the 20 percent threshold, consistent with the 20 percent poverty threshold hypothesis, it did not hold for another middle-poverty neighborhood, Dickeyville (.26), where quality was higher despite its higher poverty rate. And while the high-poverty neighborhood almost always had the poorest neighborhood quality, one middle-poverty neighborhood, Cylburn (.21), often had a similarly low level of neighborhood quality. This undercuts the 40 percent threshold hypothesis.

Evidence on the poverty trajectory is mixed. In the three neighborhoods that have increasing poverty rates, several measures of quality have also declined. But in the two neighborhoods with declining poverty rates, there was no evidence that quality was improving.

To some extent, the presence of an underclass appears to be more closely related to neighborhood quality in these case study neighborhoods than the poverty rate alone. The neighborhoods with a greater presence of the underclass demonstrated poorer quality, while the neighborhoods with a lower presence of the underclass demonstrated higher quality. The existence of an underclass in the middle-poverty neighborhood, Cylburn (.21), might play a role in explaining why its quality is similar to the high-poverty neighborhood. Similarly, the absence of an underclass may be relevant to why the middle-poverty neighborhood, Dickeyville (.26), has similar quality to that of the low-poverty neighborhood. The analysis also suggests that the neighborhood quality in the middle-poverty neighborhood, Cylburn (.21), may be affected by high-poverty rates in adjacent neighborhoods.

Neighborhood Locations and Background

Table 8.1 lists the five case study neighborhoods examined in this chapter, their 2002 poverty rates, and census tract numbers. Appendix Table 8.1 provides substantial demographic and socioeconomic data on each neighborhood. The discussion in this section is based on our on-site observations of at least 20 percent of the blocks in the five neighborhoods and interviews with 21 residents, five arm's length experts, and two business owners. Historical information was gleaned from assorted materials at the Maryland Reading Room of the Enoch Pratt

Library, and Baltimore City websites (www.baltimorecity.gov; www.southbaltimore.com; www.baltimorestories.com).

Table 8.1
Study Neighborhoods, Poverty Rates and Tract Numbers

Neighborhood	Poverty Rate	Census Tract
Low-poverty		
Falstaff	18	2720.01
Middle-poverty		
Cylburn	21	2716.00
Dickeyville	26	2803.01
Cherry Hill	32	2502.03
High-poverty		
Mt. Wynans	42	2503.02

Source: U.S. Bureau of the Census (2000).

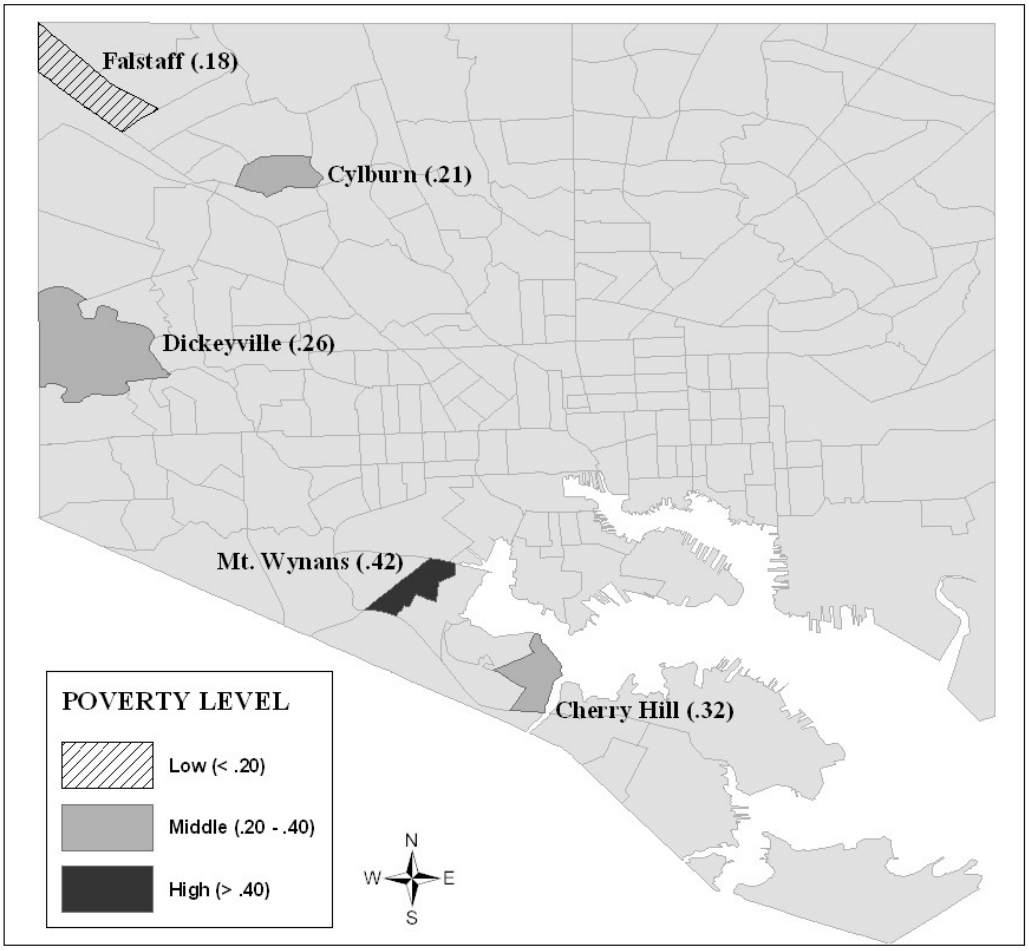
As shown in Figure 8.1, Falstaff (.18), the low-poverty neighborhood in this analysis, is located in the northwest corner of the city, adjacent to Baltimore County, and is bordered by Park Heights Avenue and Reisterstown Road. The northern border of Cylburn (.21), a middle-poverty neighborhood, is four blocks south of Pimlico Race Track, in the area generally referred to as Park Heights. This neighborhood is bisected by Park Heights Avenue, a major thoroughfare. Dickeyville (.26), another middle-poverty neighborhood, is located on the western edge of the city, also adjacent to Baltimore County, and near Gwynn Falls Park. Cherry Hill (.32), the third middle-poverty neighborhood, and Mt. Wynans (.42), the high-poverty neighborhood, are located in the southern portion of the city. Cherry Hill (.32) is bordered by the waterfront and Cherry Hill Park. Mt. Wynans (.42) is relatively isolated, bordered by train tracks and freeways, with few access roads.

Falstaff (.18), the low-poverty neighborhood, was an historically Orthodox Jewish community. The neighborhood is comprised of a mix of residential areas and a business district, with a notable presence of churches and synagogues. In contrast to Baltimore city, this neighborhood experienced an increase in population from 1980 to 2000. During these two decades, the black population increased by 27 percent while the white population declined by 32 percent. The percentage of the population over 65 also declined 15 percent from 1980 to 2000. The neighborhood has many active community organizations and was chosen by the city to receive a Strategic Neighborhood Action Plan (SNAP).

Cylburn (.21), a middle-poverty neighborhood, is comprised of two distinct geographic areas that are also distinct in neighborhood quality. The area surrounding Park Heights Avenue is a depressed business district and in a state of disrepair. In contrast, the northeast corner is a well-maintained residential area. The population decreased by 32 percent from 1980 to 2000, and is now almost entirely black. Notably, Cylburn (.21) has the highest percentage of people with incomes over $60,000 among these five neighborhoods. The segment of the neighborhood

directly east of Park Heights Avenue (census block group 6) has a much smaller high-income population, as expected.

Figure 8.1
Geographic Location of Neighborhoods



Dickeyville (.26), another middle-poverty neighborhood, is one of the oldest neighborhoods in the city and predates the founding of Baltimore. The neighborhood is comprised of historic Dickeyville and portions of the Wakefield area. Dickeyville (.26) has a small percentage of homeowners and a significant presence of affordable apartment housing. A large majority of Dickeyville (.26) homes are well-maintained colonials located in Historic Dickeyville. There is no significant presence of businesses. Total population and racial composition in Dickeyville (.26) remained relatively constant from 1980 to 2000.

Cherry Hill (.32), a third middle-poverty neighborhood, was created after World War II as a public housing project for black veterans and widows. It is predominantly black and remains a close-knit and proud community. Cherry Hill Town Center was developed with start-up funds from the city and private investment. Despite a population increase from 1980 to 1990, Cherry Hill's (.32) population decreased 30 percent from 1990 to 2000. Cherry Hill (.32) has the smallest population of the five case study neighborhoods.

Mt. Wynans (.42), the high-poverty neighborhood in this subsample, is relatively isolated from the rest of the city. The neighborhood has experienced difficulties such as contaminated Baltimore Gas & Electric property on its waterfront, the proximity of highway overpasses, and the high concentration of industrial properties. Mt. Wynans has had a nearly 100 percent black population since 1980. From 1980 to 1990, the neighborhood's total population loss was four times the Baltimore city average. Two residents interviewed cited their appreciation for the city's recent construction of a playground in the neighborhood.

Preview of Findings

We did not find a linear relationship between the neighborhood poverty rate and neighborhood quality within these five neighborhoods. On most measures, the low-poverty neighborhood performed as expected. However, the middle-poverty neighborhoods were not always of poorer quality than the low-poverty neighborhood, and the pattern among them was inconsistent. For example, the neighborhood quality of the two middle-poverty neighborhoods with relatively close poverty rates, Cylburn (.21) and Dickeyville (.26), was dramatically different. The neighborhood with the lower level of poverty, Cylburn (.21), performed poorly on several quality measures, often mirroring the high-poverty neighborhood.

At first glance, the dramatic decline in neighborhood quality from the low-poverty neighborhood, Falstaff (.18), to the middle-poverty neighborhood, Cylburn (.21), suggests a 20 percent threshold. However, the middle-poverty neighborhood, Dickeyville (.26), which crossed the 20 percent threshold between 1990 and 2000, had quality ratings on such measures as abandoned housing, property crimes, and median residential sales price that were similar to those of the low-poverty neighborhood.

An increasing poverty rate may be a better indicator of neighborhood quality than either a decreasing rate or the poverty rate at a point in time. The presence or absence of an underclass may also be more indicative of neighborhood quality than the poverty rate taken alone. Finally, the adjacency of higher poverty neighborhoods may have affected the quality of one middle-poverty neighborhood through negative spillover effects.

Evidence of Linear Effects

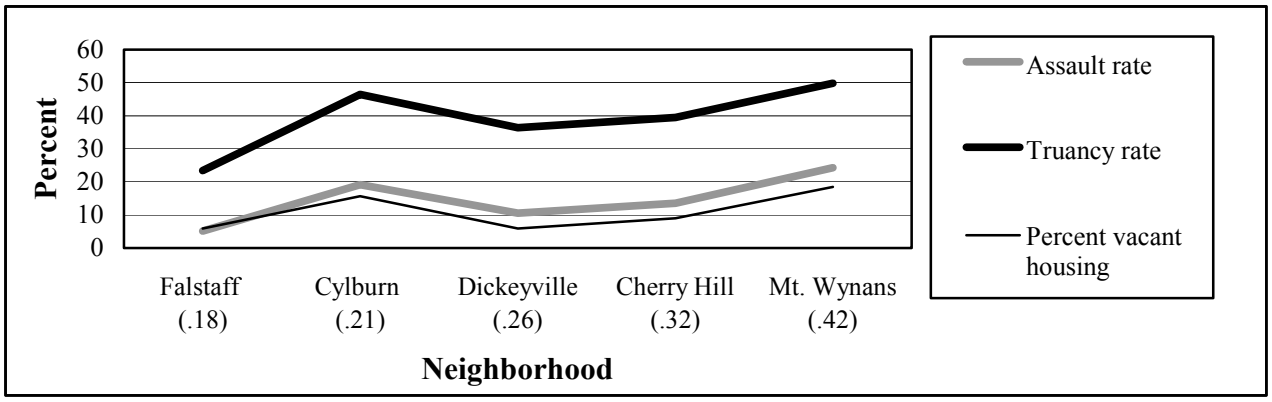
Across roughly 90 measures of neighborhood quality, none demonstrated a linear relationship with poverty. In nearly every case, the middle-poverty neighborhoods did not follow a strict linear pattern. On some measures, middle-poverty neighborhoods performed better than the low-poverty neighborhood. At times, the high-poverty neighborhood performed better than one middle-poverty neighborhood. Some examples follow.

Assault, Truancy, and Vacant Housing

Many quality measures were linearly related to the poverty rate except in the case of one middle-poverty neighborhood, Cylburn (.21). Figure 8.2 displays three of these measures: assault; truancy; and vacant housing units in 2000 (also see Appendix Tables 8.2 and 8.3). If this

neighborhood were removed from the graph, the relationship would appear linear. However, the presence of this middle-poverty neighborhood disrupts the linear pattern.

Figure 8.2
Assaults, Truancy, and Vacant Housing
by Neighborhood, 2000

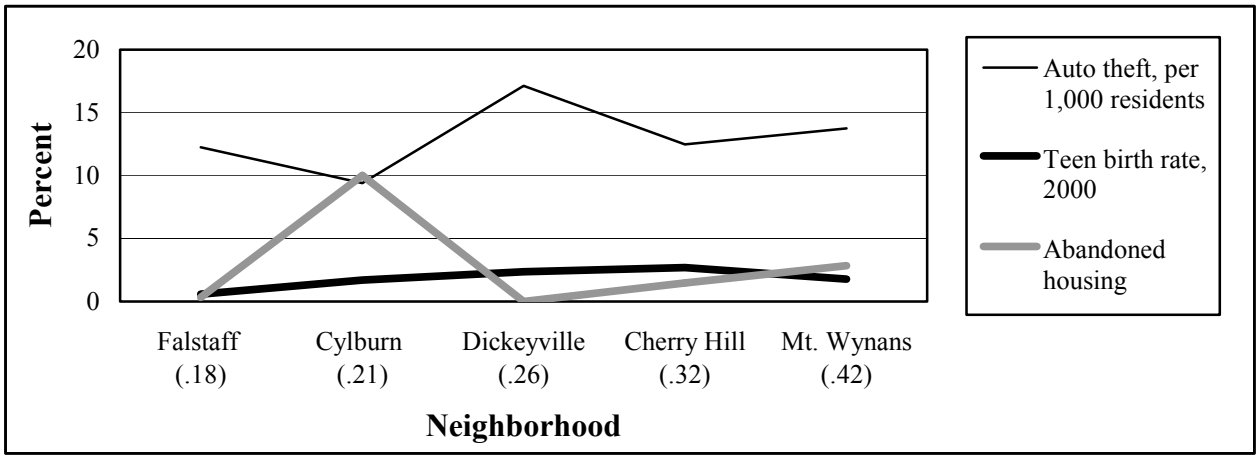


Sources: Baltimore City Police Department (2002), Baltimore City Police Department Juvenile Detention Unit (2002); Geolytics (2000); Wessex (1993); U.S. Bureau of the Census (2000).

Auto Theft, Teen Births, and Abandoned Housing Units

Other quality measures displayed erratic relationships with the neighborhood poverty rate. As shown in Figure 8.3, there is no readily interpretable pattern for the relationship between auto

Figure 8.3
Auto Theft, Teen Births, and Abandoned Housing
by Neighborhood, 2000



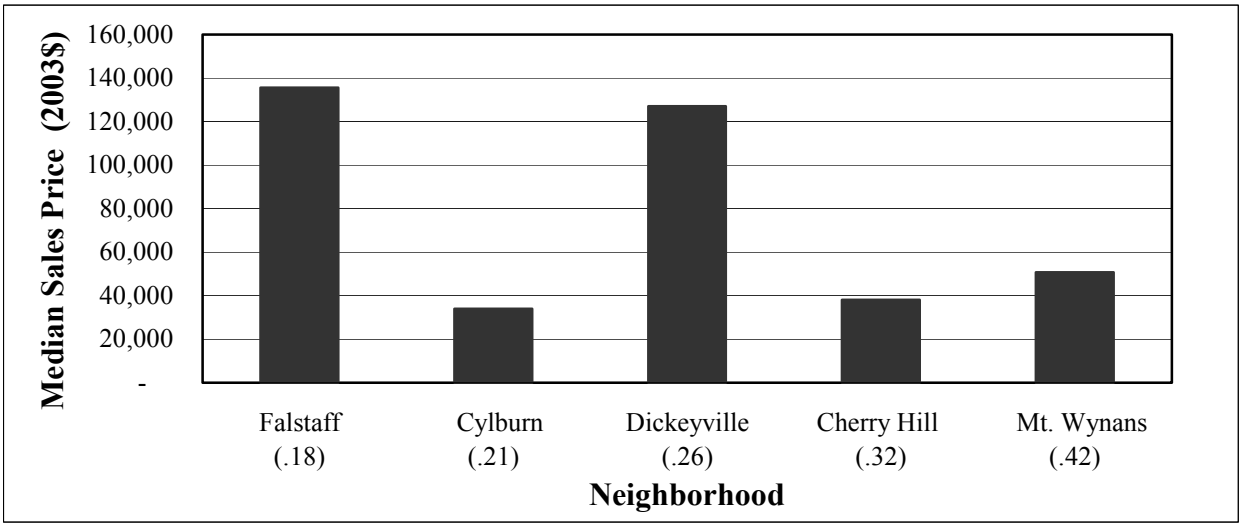
Sources: Baltimore City Police Department (2002); Baltimore City Department of Housing and Community Development (2002b); Maryland Department of Health and Mental Hygiene (2001).

thefts, teen births, and abandoned units in 2000, on the one hand, and the neighborhood poverty rate, on the other. In some instances, the high-poverty neighborhood performs better than middle-poverty neighborhoods. But at other times, a middle-poverty neighborhood out-performs the low-poverty neighborhood. (More detailed data are provided in Appendix Tables 8.2, 8.3, and 8.4.)

Median Residential Sales Price

As previously noted, the median housing sales price may be a particularly strong measure of neighborhood quality because the quality of a neighborhood should be capitalized into a home's sales price. Again, we did not find a linear relationship between poverty levels and median prices in 2000, as shown in Figure 8.4. Instead of the lowest sales price occurring in the high-poverty neighborhood, two middle-poverty neighborhoods, Cylburn (.21) and Cherry Hill (.32), have lower median prices. By contrast, another middle-poverty neighborhood, Dickeyville (.26), had a median housing prices almost equivalent to that of the low-poverty neighborhood.

Figure 8.4
Median Residential Sales Price by Neighborhood, 2000



Sources: Baltimore City Mayor's Office of Information Technology (2000; 2003).

Social Environment

As expected, measures of the social environment such as the presence and activities of community groups and interactions with neighbors rate higher in the low-poverty neighborhood and weakly in the high-poverty neighborhood. However, these ratings are also strong in the middle-poverty neighborhood, Cherry Hill (.32), though they are weak in the other two middle-poverty neighborhoods.

According to the city planner for the low-poverty neighborhood, this neighborhood has a strong presence of religious organizations, an active community association, and a dynamic housing group (see Appendix Figures 8.1(a) and 8.1(b)). To receive recognition as a SNAP cluster, the community organizations submitted a plan to the city to focus on improving housing,

community relations, physical environment, public safety, education, and recreation. In return, the neighborhood receives implementation and coordination support from the city.

In contrast, according to the city planner, the middle-poverty neighborhood, Cylburn (.21), is struggling to survive. Five residents also describe a weak social environment and a lack of community organizations and activity in this neighborhood. In another middle-poverty neighborhood, Dickeyville (.26), three residents and one arm's length expert stated that there is not a strong presence of community organizations and those that exist have little impact. Yet, the middle-poverty neighborhood with the highest poverty rate, Cherry Hill (.32), appears to have a strong social environment. According to the city planner, the Larue Square residents famously opposed the planned expansion of Harbor Hospital some years ago, protecting their waterfront views. Residents and community groups (particularly Catholic Charities) also advocated for city funds to revitalize Cherry Hill Town Center, resulting in the development of a supermarket, senior center, and a medical and dental clinic.

Image

Image varies widely across neighborhoods, but not always in relationship with poverty. As expected, according to two arm's length experts, the low-poverty neighborhood was reported to be a desirable place to purchase a home and raise a family because of the high quality of life, safety, and access to amenities. Two residents in the high-poverty neighborhood also reported satisfaction with their neighborhood, though they complained about crime and drug problems in adjacent neighborhoods.

The middle-poverty neighborhoods also did not demonstrate an image consistent with their poverty levels. Reports concerning the middle-poverty neighborhood, Cylburn (.21), varied between residents and community group leaders. Four residents and the arm's length experts consistently spoke of a negative image, pointing to problems with crime, unsupervised teens, and drugs. Two community group leaders pointed with enthusiasm to the neighborhood's stable population, community pride, and safety. Four residents, one expert and one community leader in another middle-poverty neighborhood, Dickeyville (.26), agreed that, in general, the neighborhood has a positive image. One resident speculated that the presence of lower-income apartment buildings results in increased criminal activity in the neighborhood. In the third middle-poverty neighborhood, Cherry Hill (.32), two community association leaders and two homeowners seem proud of their neighborhood, and believe that the neighborhood has a positive image, while two renters report more difficulty with crime and access to public transportation.

Physical Quality

On-site observations of the neighborhood's physical quality also did not demonstrate a linear relationship with the poverty rate (see Appendix Table 8.5). As expected, the low-poverty neighborhood was observed to have a high quality physical environment, but the middle-poverty neighborhoods did not perform as expected. As shown in Table 8.2, one middle-poverty neighborhood, Dickeyville (.26), demonstrates an equal--or slightly higher--quality physical environment than the low-poverty neighborhood. Yet, the physical environment in another middle-poverty neighborhood, Cylburn (.21), resembles that of the high-poverty neighborhood.

Table 8.2
Quality of Physical Environment:
Mean Observation Scores by Neighborhood, 2003

Measure	Falstaff (.18)	Cylburn (.21)	Dickeyville (.26)	Cherry Hill (.32)	Mt. Wynans (.42)
Trash	1.4	1.9	1.4	2.8	1.9
Beautification efforts	3.0	2.5	3.0	2.2	2.4
Street lights	3.6	3.0	3.6	3.0	2.6
Parks/playgrounds	2.0	2.0	4.0	4.0	2.0

Source: On-site observations of 20 percent of blocks in each neighborhoods (2003).
Note: The presence of these indicators was rated on a scale from 1 (No observation) to 5 (Overwhelming presence), as described in Chapter 3.

School Quality

MSPAP scores were available for only two middle-poverty neighborhoods, Cylburn (.21) and Dickeyville (.26). Although scores in Cylburn (.21) were higher for both reading and math in 2000 and 2001, there is insufficient data to conclude that a linear relationship exists between this quality indicator and the poverty rate. A similar pattern for CTBS scores exists between these two neighborhoods, however Dickeyville (.26) actually outperforms Falstaff (.18) for 7th grade CTBS scores. (See Appendix Table 8.6 for more information.)

Threshold Effects

We did not find evidence of a threshold beyond which neighborhood quality declines significantly. Looking again at Figure 8.2 presented earlier in this chapter, it might appear that a threshold exists at the 20 percent poverty level because neighborhood quality declines significantly between the lowest-poverty neighborhood and the middle-poverty neighborhood, Cylburn (.21). However, quality improves again between the middle-poverty neighborhoods, Cylburn (.21) and Dickeyville (.26). In fact, as summarized in Table 8.3, the middle-poverty

Table 8.3
Selected Measures Not Upholding the 20 Percent Poverty
Threshold by Neighborhood, 2000

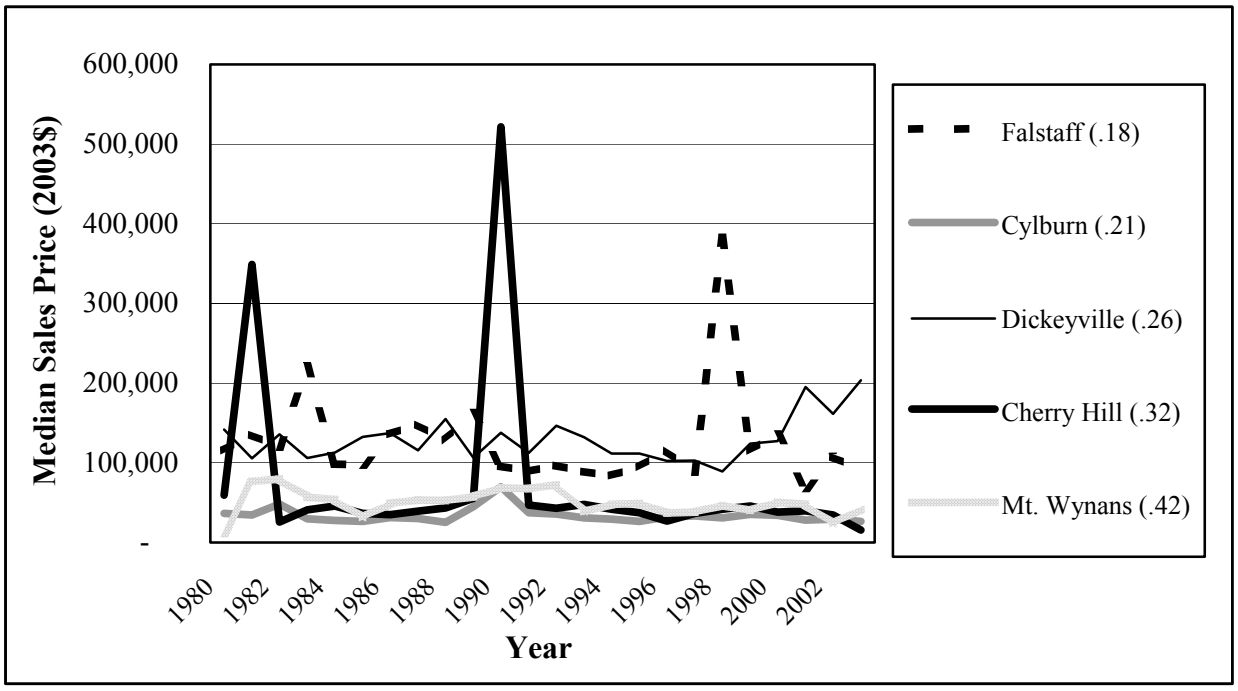
	< 20 Percent Poverty	> 20 Percent Poverty
Measure	**Falstaff (.18)**	**Dickeyville (.26)**
Total property crimes per 1000 residents, 2000	61.44	51.19
Child abuse and neglect per 100 children, age 0-17, 2000	1.24	1.22
Percent satisfactory 7th grade CTBS reading score, 2000	28.00	45.00
Percent satisfactory 7th grade CTBS math score, 2000	29.00	44.00
Abandoned housing, percent of total, 2000	0.34	0.00

Sources: Baltimore City Police Department (2002); Maryland Department of Health and Mental Hygiene (2001); Baltimore City Public School System (2002); Baltimore City Department of Housing and Community Development (2002b).
Note: CTBS = Comprehensive Test of Basic Skills.

neighborhood Dickeyville (.26) performs similarly, or even better than, the low-poverty neighborhood across a variety of indicators. This is also apparent in Figure 8.5, which graphs the median residential sales price over time. Here, again, Dickeyville (.26) also outperforms the median residential sales price in the low-poverty neighborhood.

There is also no evidence of a 40 percent threshold. Although the high-poverty neighborhood often demonstrates the lowest neighborhood quality, the effects of the poverty rate cannot be isolated because it has remained above 40 percent since 1980.

Figure 8.5
Median Residential Sales Price by Neighborhood, 1980-2003



Sources: Baltimore City Mayor's Office of Information Technology (2000; 2003).

The Poverty Trajectory

As shown in Table 8.4, poverty levels increased in the low-poverty neighborhood

Table 8.4
Poverty Rate by Neighborhood, 1980-2000

Year	Falstaff (.18)	Cylburn (.21)	Dickeyville (.26)	Cherry Hill (.32)	Mt. Wynans (.42)
2000	18	21	26	32	42
1990	14	30	13	26	44
1980	11	30	18	24	63

Sources: Geolytics (2000); Wessex (1993); U.S. Bureau of the Census (2000).

between 1980 and 2000. Within the middle-poverty neighborhoods, Cylburn's (.21) poverty rate decreased from 1990 to 2000. Conversely, Dickeyville's (.26) poverty rate decreased from 1980 to 1990 and increased from 1990 to 2000. The poverty rate in the third middle-poverty neighborhood, Cherry Hill (.32), steadily increased between 1980 and 2000. In the high-poverty neighborhood, poverty decreased 21 percent from 1980 to 2000.

Decreasing Poverty and Neighborhood Quality

Because the poverty rates in both Cylburn (.21) and Mt. Wynans (.42) decreased between 1980 and 2000, we expected to see an improvement in their quality. However, many measures of quality in these neighborhoods did not improve. A graphic example is provided by Cylburn's (.21) median residential sales prices, which have actually decreased somewhat over time in real terms. Abandoned housing in Cylburn (.21) has also increased between 1991 and 2001 (see Appendix Table 8.3). One expert, two community group leaders, and four residents agree that the neighborhood has been deteriorating over the last five to 10 years. As shown in Table 8.5, from 1990 to 2000, total violent crimes and auto thefts increased in both Cylburn (.21) and Mt. Wynans (.42), despite the decrease in their poverty rates.

Table 8.5
Crime by Neighborhood, 1990-2000

Measure	Falstaff (.18)	Cylburn (.21)	Dickeyville (.26)	Cherry Hill (.32)	Mt. Wynans (.42)
Violent crime per 1000, residents					
2000	12.91	31.23	14.57	20.63	36.35
1990	2.34	20.03	7.45	37.67	26.50
Auto theft per 1000, residents					
2000	12.26	9.40	17.14	12.49	13.74
1990	5.52	6.53	14.91	20.55	4.94

Sources: Baltimore City Police Department (2002).

Increasing Poverty and Neighborhood Quality

The poverty trajectory appears to be more consistently related to neighborhood quality in two neighborhoods where poverty is increasing. As shown in Table 8.4, in both the low-poverty neighborhood and the middle-poverty neighborhood Dickeyville (.26), the total violent crime and auto theft rates increased between 1990-2000. However, the poverty trajectory is not a good indicator in Cherry Hill (.32) because crimes rates declined from 1990 to 2000, while poverty increased during this time period.

Mitigating Factors

We looked at race, age, the presence of an underclass and adjacent neighborhoods to assess the possible effects of mitigating factors. There was no evidence that race and age acted as mitigating factors for these five neighborhoods.

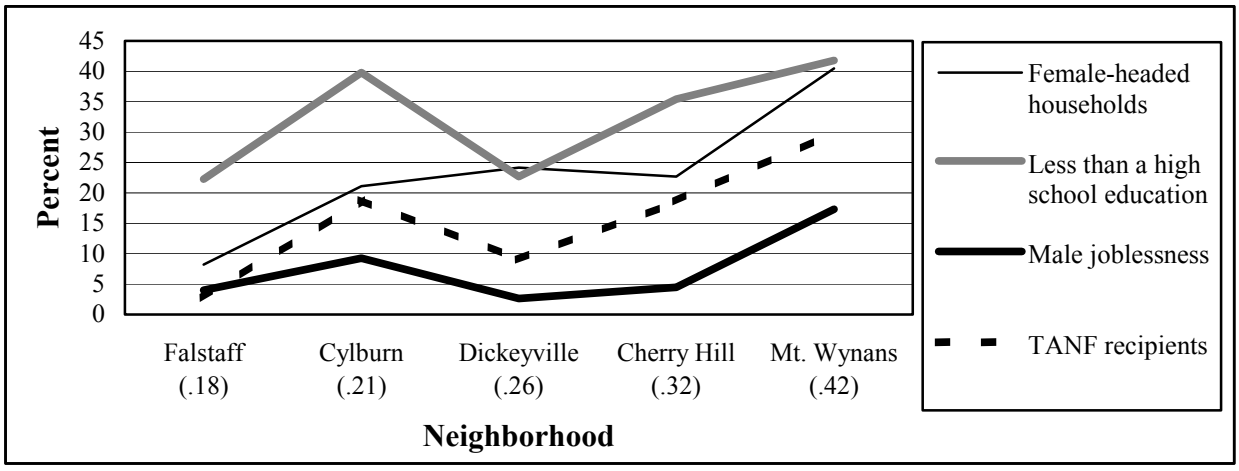
Adjacent Neighborhoods and Neighborhood Quality

Of the five case study neighborhoods, only Cylburn offers support for the potential spillover effects from adjacent neighborhoods. Cylburn (.21) is adjacent to two non-study neighborhoods with much higher poverty rates (.29 and .39). The city planner reported that there is a spillover of criminal activity and a general negative impact from these neighborhoods. (These bordering neighborhoods are depicted in Appendix Figure 8.2.) Park Heights Avenue, which bisects the western edge of the neighborhood, may be a conduit for this spillover. This thoroughfare is characterized by a significant presence of trash, abandoned buildings, liquor stores, and general disrepair. On-site observations revealed that physical and social conditions in Cylburn (.21) are superior in the northeast section of the census tract, at some distance from Park Heights Avenue, but deteriorate directly to the east of this main road. Block group Census data further demonstrate that the poverty in Cylburn is concentrated directly to the east of Park Heights Avenue.

The Underclass

As mentioned in previous chapters, the underclass is measured by four indicators: male joblessness, female-headed households, proportion of households receiving welfare and the proportion of residents without a high school diploma (Ricketts and Sawhill 1986). As shown in Figure 8.6, the middle-poverty neighborhood, Cylburn (.21), demonstrates particularly high levels of these underclass characteristics. Concurrently, the middle-poverty neighborhood, Dickeyville (.26), demonstrates particularly low levels of three of the four characteristics (see also Appendix Table 8.1). We believe the presence of an underclass explains why Cylburn's

Figure 8.6
Underclass Measures by Neighborhood, 2000



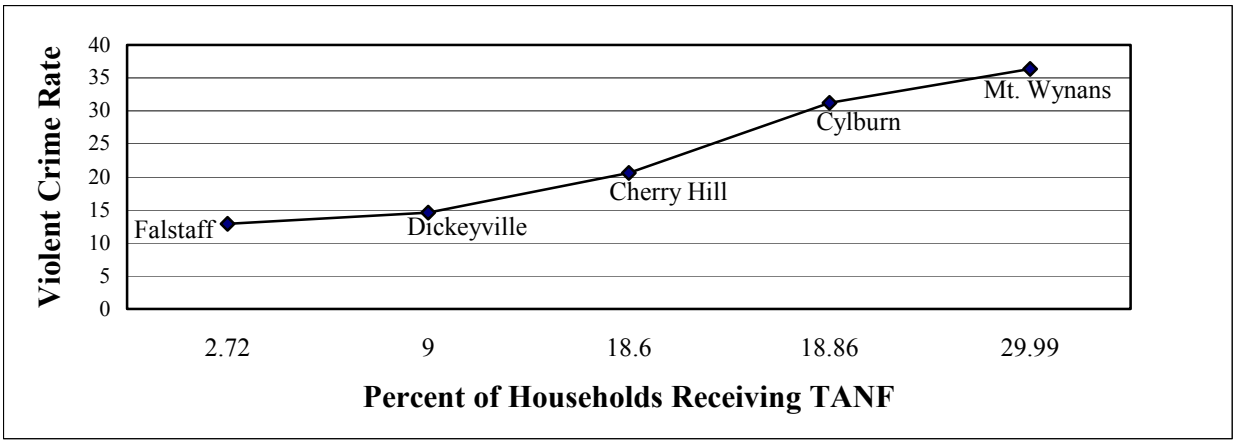
Sources: U.S. Bureau of the Census (2000); Maryland Department of Human Resources (2000).

(.21) quality closely parallels that of the high-poverty neighborhood. The absence of an underclass may also explain why Dickeyville's (.26) quality is similar, and at times better than, the low-poverty neighborhood.

The Underclass as a Measure of Neighborhood Quality

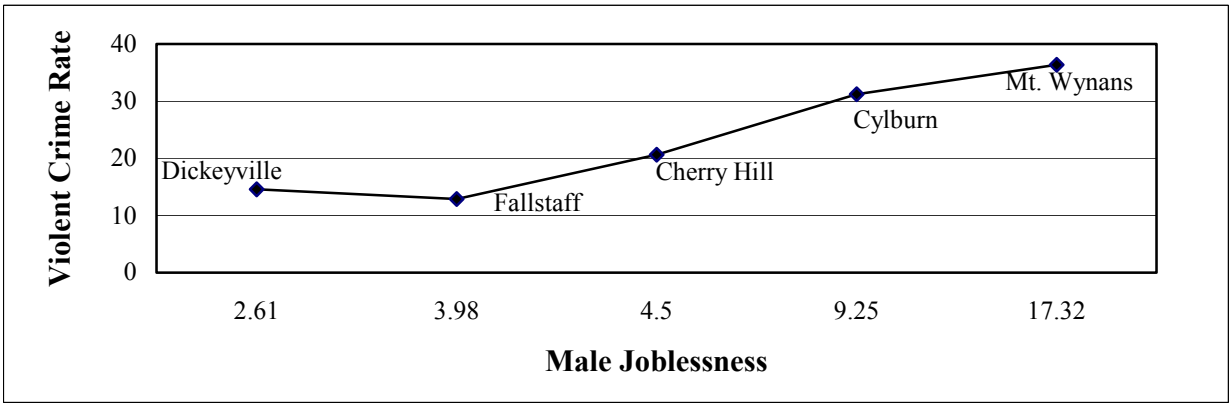
To determine whether the underclass is a better marker of neighborhood quality than the poverty rate alone, we begin by looking at the percent of households receiving TANF and male joblessness compared to the violent crime rate. As demonstrated in Figures 8.7 and 8.8, the relationship takes the expected form, with the neighborhoods having lower fractions of TANF recipients and male joblessness also experiencing lower levels of violent crime. Generally similar patterns applied to other neighborhood quality measures including, importantly, median residential sales prices. One key exception, however, is the unexpected relationship between female-headed households and median residential sales price.

Figure 8.7
Households Receiving TANF and
Violent Crime Rate, 2000



Source: Maryland Department of Human Resources (2000); Baltimore City Police Department (2002).
Note: Violent crime rate = violent crimes per 1,000 residents.

Figure 8.8
Male Joblessness and Violent Crime Rate, 2000



Sources: U.S. Bureau of the Census (2000); Baltimore City Policy Department (2002).
Note: Violent crime rate = violent crimes per 1,000 residents.

Summary and Conclusions

We did not find a linear relationship between the neighborhood poverty rate and neighborhood quality. Evidence on the poverty trajectory was mixed. There may be a relationship between neighborhood quality and increasing poverty as demonstrated by increases in negative quality indicators in the low-poverty neighborhood and two of the middle-poverty neighborhoods. In contrast, there was no clear indication, as poverty decreases in a neighborhood, quality improves.

There also was no apparent threshold at either 20 percent or 40 percent poverty. Interestingly, one middle-poverty neighborhood, Dickeyville (.26), demonstrated quality similar to the low-poverty neighborhood and actually performed better in some indicators. The presence of an underclass, however, appears to be a better reflection of neighborhood quality than the poverty rate alone in many of these five case study neighborhoods. In the case of Cylburn (.21), both this neighborhood's high fractions of underclass components and its adjacency on its western and southern boundaries to higher poverty neighborhoods and their potential for negative spillovers may explain why Cylburn's (.21) neighborhood quality is similar to that of the high-poverty neighborhoods.

Appendix Table 8.1
Demographic and Socioeconomic Characteristics by Neighborhood, 1980-2000

Measure	Falstaff (.18)	Cylburn (.21)	Dickeyville (.26)	Cherry Hill (.32)	Mt. Wynans (.42)
Population					
Total Population, 2000	7,747	5,315	4,376	1,842	2,183
Total Population, 1990	7,250	6,738	4,427	2,628	2,226
Total Population, 1980	6,276	7,840	4,132	2,392	2,920
Percent population under age 18, 2000	0.25	0.31	0.30	0.29	0.42
Percent population under age 18, 1990	0.22	0.31	0.27	0.28	0.41
Percent population under age 18, 1980	0.15	0.36	0.30	0.28	0.48
Percent population over age 65, 2000	0.23	0.11	0.11	0.13	0.07
Percent population over age 65, 1990	0.31	0.08	0.09	0.12	0.05
Percent population over age 65, 1980	0.38	0.06	0.08	0.08	0.04
Median age of male, 2000	37.5	29.1	25.9	31.1	17.6
Households					
Total households, 2000	3,524	1,771	1,900	715	707
Total households, 1990	3,491	2,005	1,936	971	627
Total households, 1980	3,163	2,027	1,776	874	702
Percent married couples, 2000	.12	.9	.8	.6	.10
Percent married couples, 1990	.14	.16	.13	.14	.13
Percent married couples, 1980	.11	.28	.16	.17	.16
Percent grandparents responsible for grandchildren under 18, 2000	.2	.14	.3	.6	.9
Percentage of families receiving TANF, 2000	0.03	0.19	0.09	0.19	0.30
Income					
Median household income, 2000	28,333	26,393	24,575	22,240	15,943
Median household income, 1990	28,905	31,176	30,729	26,221	21,789
Median household income, 1980	25,414	26,791	27,029	20,580	10,336
Percent incomes over $60,000, 2000	21.33	16.08	25.97	13.94	34.77
Education					
Education, less than high school, 2000	0.22	0.40	0.23	0.35	0.42
Education, less than high school, 1990	0.32	0.42	0.25	0.39	0.60
Education, bachelor's and above, 2000	0.29	0.06	0.20	0.04	0.06
Education, bachelor's and above, 1990	0.20	0.06	0.18	0.03	0.04
Employment					
Males 16+ in labor force, 2000	0.62	0.54	0.54	0.44	0.58
Males 16+ in labor force, 1990	0.64	0.67	0.82	0.71	0.64
Males 16+ employed, 2000	0.58	0.45	0.52	0.39	0.41
Males 16+ employed, 1990	0.60	0.60	0.77	0.60	0.48
Racial Composition					
Percent black, 2000	0.42	0.97	0.84	0.96	0.98
Percent black, 1990	0.27	0.97	0.84	0.99	0.99
Percent black, 1980	0.15	0.96	0.77	0.96	0.99
Percent white, 2000	0.52	0.02	0.14	0.02	0.01
Percent white, 1990	0.71	0.02	0.15	0.01	0.00
Percent white, 1980	0.84	0.04	0.22	0.02	0.00

Appendix Table 8.1 (continued)

Measure	Falstaff (.18)	Cylburn (.21)	Dickeyville (.26)	Cherry Hill (.32)	Mt. Wynans (.42)
Percent of Owner-Occupied Units					
2000	36.12	44.89	15.37	42.21	32.91
1990	36.24	39.80	14.77	36.15	31.10
1980	37.27	36.36	17.06	32.38	10.83

Sources: Geolytics (2000); Wessex (1993); U.S. Bureau of the Census (2000); Maryland Department of Human Resources (2000).

Appendix Table 8.2
Crime by Neighborhood, 1990-2002

Measure	Falstaff (.18)	Cylburn (.21)	Dickeyville (.26)	Cherry Hill (.32)	Mt. Wynans (.42)
Total Violent Crime					
Number of violent crimes, 2002	72	102	45	38	54
Number of violent crimes, 2001	90	123	47	47	66
Number of violent crimes, 2000	100	166	69	38	80
Number of violent crimes, 1990	17	135	33	99	59
Violent crimes per 1,000 residents, 2002	9.29	19.19	10.28	20.63	24.74
Violent crimes per 1,000 residents, 2001	11.62	23.14	10.74	25.52	30.23
Violent crimes per 1,000 residents, 2000	12.91	31.23	15.77	20.63	36.65
Violent crimes per 1,000 residents, 1990	2.34	20.04	7.45	37.67	26.50
Aggravated Assaults					
Number of assaults, 2002	36	61	35	29	40
Number of assaults, 2001	33	75	34	39	51
Number of assaults, 2000	40	102	46	25	53
Assaults per 1,000 residents, 2002	4.65	11.48	8.00	15.74	18.32
Assaults per 1,000 residents, 2001	4.26	14.11	7.77	21.17	23.36
Assaults per 1,000 residents, 2000	5.16	19.19	10.51	13.57	24.28
Total Property Crime					
Number of property crimes, 2002	431	236	153	101	92
Number of property crimes, 2001	527	221	126	123	101
Number of property crimes, 2000	476	246	224	121	131
Number of property crimes, 1999	600	299	204	75	97
Number of property crimes, 1998	743	394	223	84	103
Property crimes per 1,000 residents, 2002	55.63	44.40	34.96	54.83	42.14
Property crimes per 1,000 residents, 2001	68.03	41.58	28.79	66.78	46.27
Property crimes per 1,000 residents, 2000	61.44	46.28	51.19	65.69	60.01
Property crimes per 1,000 residents, 1999	77.45	56.26	46.62	40.72	44.43
Property crimes per 1,000 residents, 1998	95.91	74.13	50.96	45.60	47.18
Auto Thefts					
Number of auto thefts, 2002	79	48	43	44	38
Number of auto thefts, 2001	103	44	42	18	15
Number of auto thefts, 2000	95	50	75	23	30
Number of auto thefts, 1999	91	55	61	13	19
Number of auto thefts, 1998	81	39	58	8	25
Number of auto thefts, 1990	40	44	66	54	11
Auto thefts per 1,000 residents, 2002	10.20	9.03	9.83	23.89	17.41
Auto thefts per 1,000 residents, 2001	13.30	8.28	9.60	9.77	6.87

Appendix Table 8.2 (continued)

Measure	Falstaff (.18)	Cylburn (.21)	Dickeyville (.26)	Cherry Hill (.32)	Mt. Wynans (.42)
Auto Thefts					
Auto thefts per 1,000 residents, 2000	12.26	9.41	17.14	12.49	13.74
Auto thefts per 1,000 residents, 1999	11.75	10.35	13.94	7.06	8.70
Auto thefts per 1,000 residents, 1998	10.46	7.34	13.25	4.34	11.45
Auto thefts per 1,000 residents, 1990	5.52	6.53	14.91	20.55	4.94
Truancy					
Percent truant grades 9-12, 2000	.23	.47	.36	.39	.50
Percent truant grades 6-8, 2000	.24	.43	.16	.27	.24
Percent truant grades 1-5, 2000	.04	.06	.11	.01	.12

Sources: Baltimore City Police Department (2002); Baltimore City Public School System (2003).
Note: 2000 population numbers are used for the denominator in the "rates per 1,000" calculations for all years except for 1990, for which 1990 population is used.

Appendix Table 8.3
Abandoned and Vacant Housing by Neighborhood, 1991-2000

Measure	Falstaff (.18)	Cylburn (.21)	Dickeyville (.26)	Cherry Hill (.32)	Mt. Wynans (.42)
Abandoned housing					
Number of abandoned houses, 2001	9	160	0	11	19
Number of abandoned houses, 2000	5	131	0	8	11
Number of abandoned houses, 1999	4	141	1	6	5
Number of abandoned houses, 1998	2	146	1	6	7
Number of abandoned houses, 1997	1	123	1	7	7
Number of abandoned houses, 1996	2	88	0	4	7
Number of abandoned houses, 1995	0	72	0	3	4
Number of abandoned houses, 1994	3	76	1	4	3
Number of abandoned houses, 1993	3	83	1	4	2
Number of abandoned houses, 1992	3	78	2	3	2
Number of abandoned houses, 1991	2	61	1	3	1
Percent of houses abandoned, 2001	.01	.12	.00	.02	.05
Percent of houses abandoned, 2000	.00	.10	.00	.01	.03
Percent of houses abandoned, 1999	.00	.11	.00	.01	.01
Percent of houses abandoned, 1998	.00	.09	.00	.01	.02
Percent of houses abandoned, 1997	.00	.07	.00	.01	.02
Percent of houses abandoned, 1996	.00	.06	.00	.01	.02
Percent of all units vacant					
2000	0.06	0.16	0.06	0.09	0.18
1990	0.04	0.07	0.05	0.07	0.09
1980	0.05	0.14	0.02	0.02	0.01

Sources: Baltimore City Department of Housing and Community Development (2002b); Geolytics (2000); Wessex (1993); U.S. Bureau of the Census (2000).

Appendix Table 8.4
Child Abuse and Teen Birth Rate by Neighborhood, 1994-2001

Measure	Baltimore City	Falstaff (.18)	Cylburn (.21)	Dickeyville (.26)	Cherry Hill (.32)	Mt. Wynans (.42)
Child Abuse and Neglect						
Number of child abuse and neglect, 2001	NA	15	31	16	12	27
Number of child abuse and neglect, 2000	NA	24	30	16	16	23
Number of child abuse and neglect, 1999	NA	11	51	25	8	23
Number of child abuse and neglect, 1998	NA	18	58	25	10	30
Child abuse and neglect rate per 100 children age 0-17, 2001	2.59	0.77	1.86	1.22	2.25	2.94
Child abuse and neglect rate per 100 children age 0-17, 2000	2.55	1.24	1.80	1.22	3.00	2.50
Child abuse and neglect rate per 100 children age 0-17, 1999	2.58	0.57	3.06	1.91	1.50	2.50
Child abuse and neglect rate per 100 children age 0-17, 1998	2.91	0.93	3.49	1.91	1.88	3.26
Teen Births						
Number of births to teens, 2001	NA	3	7	1	3	5
Number of births to teens, 2000	NA	3	6	5	2	4
Number of births to teens, 1999	NA	3	8	7	0	7
Number of births to teens, 1998	NA	5	11	2	1	10
Number of births to teens, 1997	NA	3	12	6	1	6
Number of births to teens, 1996	NA	1	14	5	8	10
Number of births to teens, 1995	NA	3	13	1	6	13
Number of births to teens, 1994	NA	6	17	4	4	14
Percent of births to teens, 2001	.09	.03	.08	.02	.09	.10
Percent of births to teens, 2000	.10	.03	.6	.08	.11	.10
Percent of births to teens, 1999	.10	.03	.10	.11	0	.17
Percent of births to teens, 1998	.10	.05	.12	.03	.05	.23
Percent of births to teens, 1997	.11	.03	.15	.10	.05	.13
Percent of births to teens, 1996	.11	.01	.13	.08	.25	.20
Percent of births to teens, 1995	.11	.03	.13	.02	.17	.25
Percent of births to teens, 1994	.11	.06	.18	.06	.10	.21

Source: Maryland Department of Health and Mental Hygiene (2001).
Note: NA = Not available.

Appendix Table 8.5
On-Site Observations by Neighborhood, 2003

Measure	Falstaff (.18)	Cylburn (.21)	Dickeyville (.26)	Cherry Hill (.32)	Mt. Wynans (.42)
Broken windows	1.0	1.1	1.0	1.0	1.7
Graffiti	1.0	1.1	1.0	1.0	1.0
Trash	1.4	1.9	1.4	2.8	1.9
Boarded up buildings	1.1	2.3	1.1	2.2	2.6
Disrepair	1.8	1.9	1.8	2.7	3.0
Vacant buildings	1.1	1.3	1.1	1.5	1.4
Lights	3.6	3.0	3.6	3.0	2.6
Trees	3.4	3.1	3.4	2.2	2.4
Beautification efforts	3.0	2.5	3.0	2.2	2.4
Sidewalks	3.1	2.5	3.1	2.3	2.6
Undesirable land use	1.0	1.0	1.0	3.0	1.0
Parks and playgrounds	2.0	2.0	4.0	4.0	2.0
Trash	2.0	2.0	2.0	3.0	2.0
Supermarkets	3.0	2.0	1.0	3.0	1.0
Corner stores	2.0	3.0	3.0	2.0	1.0
Restaurants	2.0	2.0	1.0	2.0	1.0
Businesses	4.0	3.0	2.0	3.0	1.0

Source: On-site observations of at least 20 percent of blocks in each neighborhood. (2003).
Note: Rated on a scale where 1=No presence; 5=Overwhelming presence.

Appendix Table 8.6
School Quality by Neighborhood, 2000-2001

Measure	Falstaff (.18) Falstaff Middle	Cylburn (.21) Edgecombe Circle Elem.	Dickeyville (.26) Dickey Hill Elem./Middle	Cherry Hill (.32)	Mt. Wynans (.42)
MSPAP - Percent satisfactory					
3rd grade reading score, 2001	NA	19.8	7.9	NA	NA
3rd grade reading score, 2000	NA	28.3	5.1	NA	NA
3rd grade math score, 2001	NA	12.1	11.8	NA	NA
3rd grade math score 2000	NA	11.8	1.3	NA	NA
CTBS - Median national percentile					
3rd grade reading score, 2001	NA	45	36	NA	NA
3rd grade reading score, 2000	NA	58	32	NA	NA
3rd grade math score, 2001	NA	54	30	NA	NA
3rd grade math score, 2000	NA	62	25	NA	NA
7th grade reading score, 2001	35	NA	46	NA	NA
7th grade reading score, 2000	28	NA	45	NA	NA
7th grade math score, 2001	29	NA	30	NA	NA
7th grade math score, 2000	29	NA	44	NA	NA

Sources: Maryland State Department of Education (2003); Baltimore City Public School System (2002).
Notes: MSPAP = Maryland State Performance Assessment Program, CTBS = Comprehensive Test of Basic Skills; NA = Not available.

Appendix Figure 8.1(a)
Community Development Corporations by Neighborhood, 2003

Neighborhood	Activity	Description of Services and Impact on Neighborhood	Budget	Funding Sources
Cylburn (.21) and Falstaff (.18)	Development Corporation of Northwest Baltimore	Provide low cost loans and establish home ownership through loans and the purchase and renovation of houses	$235,000	Government agencies; private support; interest income.
	Northwest Baltimore Corporation	Umbrella organization for community associations	$1 million	CDC, City block grant; United Way; foundation grants; direct and indirect public support; day care and farmers' market; business membership fees; interest income
Falstaff (.18)	CHAI Community Group	Provide housing assistance	$1 million	Associated Jewish Community; private and government grants
Cherry Hill (.32)	Cherry Hill Development Corporation	Rehabilitation, education and social services to families	$5,000	Interest income; public support.
	Cherry Hill Town Center, Inc.	Provide low income business rental space	$600,000	Program services; government grants; interest income.

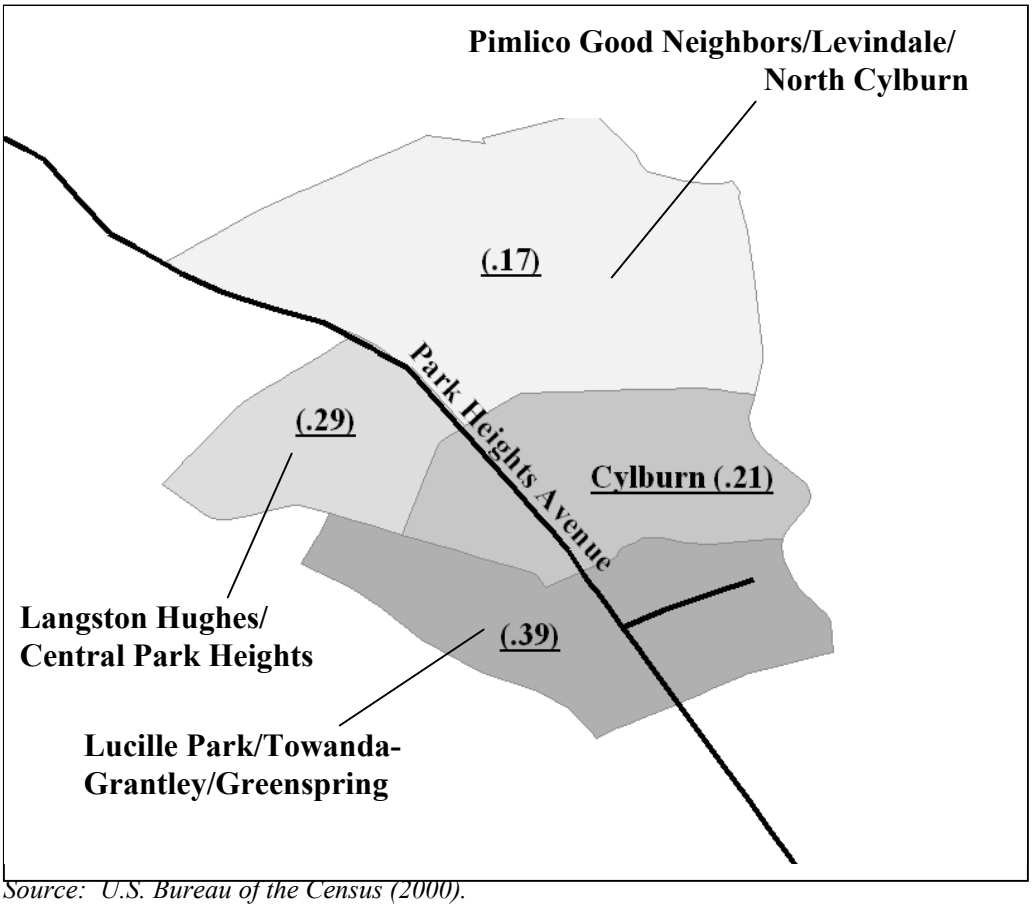
Sources: Guidestar (2003); Expert interviews (2003).

Appendix Figure 8.1(b)
Community Organizations by Neighborhood, 2003

Neighborhood	Activity
Falstaff (.18)	Falstaff Improvement Association; 16 churches and synagogues
Cylburn (.21)	Cylburn Community Action Association; Cylburn Community Association; Parklane Improvement Association; 9 churches
Dickeyville (.26)	Dickeyville Community Organization; Dickeyville Association, Inc.; 3 churches
Cherry Hill (.32)	Cherry Hill Improvement Association; Cherry Hill 2000; 3 churches
Mt. Wynans (.42)	Mt. Wynans Community Association; Mt. Wynans/Westport/ Lakeland Master Plan Task Force; 5 churches

Sources: Guidestar (2003); Expert interviews (2003).

Appendix Figure 8.2
Poverty Rates of Cylburn and Surrounding Neighborhoods, 2000



Source: U.S. Bureau of the Census (2000).

CHAPTER 9
CONCLUSIONS AND IMPLICATIONS

Executive Summary

This study examines the relationship between the neighborhood poverty rate and neighborhood quality. This relationship underlies a number of government programs, including HUD's project-based voucher program that excludes neighborhoods exceeding a poverty threshold of 20 percent. Our evidence is based on a detailed analysis of 25 neighborhoods in Baltimore city that vary along several dimensions including poverty rates, location within the city, and adjacency to neighborhoods with higher--or lower--poverty rates.

The empirical evidence indicates that neighborhood poverty is not a good marker of neighborhood quality. While the lowest-poverty neighborhoods almost always ranked higher on quality than the highest-poverty neighborhoods, the pattern for middle-poverty neighborhoods was erratic. There was also little support for a 20 percent poverty threshold, for the 20-year trend in poverty being a better indicator of quality than the poverty rate in 2000, or for the presence of an underclass representing a better marker of neighborhood quality.

Neither age nor race was a mitigating factor in the relationship between neighborhood poverty and neighborhood quality, though the lack of variation in these demographics limited our ability to test this effect. But the poverty rates of adjacent neighborhoods may plausibly influence the poverty-quality relationship in a few neighborhoods through the negative spillovers from high-poverty neighborhoods or the positive spillovers from those with low rates of poverty.

Recommendations for alternative eligibility criteria for government programs include systematic research to identify neighborhood attributes causally linked to improvement and success (or decline and failure), reconsidering census tracts as the representation of neighborhoods, accepting the possibility that multiple measures may be required to capture the elusive concept of neighborhood quality, and thinking about a role for localities in targeting government resources to neighborhoods.

Summary and Key Findings

Purpose and Approach

This study examined the relationship between the neighborhood poverty rate and neighborhood quality, which underlies eligibility for a number of federal benefit programs that provide resources to neighborhoods and their residents. These programs assume that as the neighborhood poverty rate increases, the quality of the neighborhood declines. Our analysis was based on a detailed case study of 25 Baltimore city neighborhoods, divided into five subsamples of five neighborhoods each, with variations along several dimensions including poverty rates, location within the city, and adjacency to neighborhoods with higher--or lower--poverty rates. To assess the poverty-quality relationship, we analyzed more than 90 measures of neighborhood quality across the eight domains of demographics and socioeconomics; physical environment;

social environment; school quality; crime and safety; economic investment (including trends in median residential sales prices); image; and health.

Relationship between Neighborhood Poverty and Neighborhood Quality

The empirical evidence emerging from this analysis indicates that the neighborhood poverty rate is not a good marker of neighborhood quality. Key results of this study are summarized in Figure 9.1.

Figure 9.1
Key Findings

Neighborhood Subsample	Linearity[1]	Poverty Threshold[2]	Poverty Trajectory[3]	Mitigating Factors			The Underclass[5]
				Age	Race	Adjacency[4]	
All Tracts Adjacent	No	No	Mixed	No	No	No	Mixed
Poverty Tracts Adjacent, Low-poverty Tract Not Adjacent	No	Mixed	No	No	No	Mixed	Mixed
Mixed Adjacent/ Not Adjacent	Mixed	Mixed (27-35% poverty)	Mixed	No	No	Mixed	Yes
North Avenue Mobility Corridor	No	No	No	No	No	Mixed	No
All Tracts Non-adjacent	No	No	Mixed	No	No	Mixed	Mixed

Notes:
[1] *As poverty rate increases, neighborhood quality declines.*
[2] *At some percent of poverty, quality falls precipitously.*
[3] *The 20-year trend in poverty, 1980-2000.*
[4] *Whether the poverty rate of adjacent tracts has positive or negative effects on the quality of study tracts.*
[5] *% males unemployed; % female-headed households; % on public assistance; % high-school dropouts.*

We found little support for the notion that as the neighborhood poverty rate increases, neighborhood quality decreases. While the lowest-poverty neighborhoods (<20 percent) virtually always ranked higher than the highest-poverty neighborhoods (>40 percent) on a range of quality measures, the pattern for middle-poverty neighborhoods (20-40 percent) was erratic, sometimes revealing poorer quality than the high-poverty neighborhoods.

Poverty Threshold

There was also little support for a 20 percent poverty threshold beyond which neighborhood quality declines dramatically, as implied by HUD's project-based voucher program. There was no evidence of a poverty threshold in 15 of the 25 neighborhoods. In another subsample of five neighborhoods, we found some evidence of a poverty threshold, but at a poverty rate between 27 and 35 percent of households in poverty--not at the 20 percent designated by the project-based voucher program (nor at the 40 percent level often referred to in the neighborhood poverty literature). In only one subsample of five neighborhoods was there any evidence supporting a 20 percent threshold on some quality measures.

Poverty Trajectory

Although we expected to find that the poverty trajectory--the trend in neighborhood poverty rates over the past 20 years and, particularly, whether poverty has been increasing or decreasing over time--would be a stronger marker of neighborhood quality, this did not prove to be the case. The poverty trajectory was no more consistently related to neighborhood quality than the static poverty rate in the majority of the 25 neighborhoods studied. Only two neighborhoods performed as expected: we speculate that the poorer overall quality of the low-poverty neighborhood, Frankford (19 percent), relative to the middle-poverty neighborhood, Cedonia (27 percent), may be explained by Frankford's increasing poverty rate over time compared to Cedonia's remarkably stable rate since 1980.

A few neighborhoods presented interesting patterns that may be useful to explore in greater depth in future research. For example, in one subsample of five neighborhoods, the trends in poverty over time were more strongly related to quality in neighborhoods where the poverty rates had been increasing than in those where poverty rates were falling. And in two other neighborhoods in a different subsample, there was some suggestion that the persistence of high neighborhood poverty (over 40 percent) may be more important for understanding neighborhood quality than the trajectory of poverty. In particular, in Shipley Hill, where 32 percent of households fell below poverty in 2000, both the 1980 and 1990 poverty rates exceeded 40 percent. By contrast, Penrose, with a 2000 poverty rate of 28 percent, had a 45 percent poverty rate in 1990 but a 26 percent poverty rate in 1980. Despite the relatively similar 2000 poverty rates of these two Baltimore neighborhoods, Penrose ranks consistently higher on numerous measures of neighborhood quality than Shipley Hill. Perhaps 1990 (and possibly the years surrounding it) was idiosyncratic for Penrose, while the persistently higher rates in Shipley Hill signified a more entrenched problem.

Mitigating Factors

It is possible that the relationship between neighborhood poverty and neighborhood quality could be mitigated by other factors. For example, observing a high poverty *and* high quality neighborhood could be explained by a predominantly elderly, fixed-income population of long-term residents.

We found no evidence that either age or race were mitigating factors in the 25 Baltimore neighborhoods we studied. However, we caution that the lack of variation in the age and race

composition of the neighborhoods in this sample limited our ability to truly test this possibility.

There was much more variation in "adjacency"; that is, whether the study neighborhoods were surrounded by neighborhoods with higher--or lower--poverty rates, and whether potential positive or negative spillovers from these neighborhoods might have contributed to the poverty-quality relationship. Here, again, the evidence is not consistent across the sample of 25 neighborhoods. Instead, we found only a few neighborhoods where adjacency could be viewed as a plausible factor. For example, the high-poverty neighborhood of Better Waverly (44 percent poverty) is actually comprised of a very high poverty (55 percent) southwestern section, with lower poverty in the rest of the census tract (39 percent). The very high poverty area is surrounded by relatively high poverty and low quality neighborhoods, consistent with possible negative spillovers. Another example is West Forest Park, a neighborhood with a 27 percent poverty rate that, on many quality measures, ranks comparably to Walbrook, a neighborhood with a 19 percent poverty rate. One distinctive feature of West Forest Park, relative to other middle-poverty neighborhoods examined, is that it is adjacent to some low-poverty neighborhoods and no high-poverty neighborhoods, consistent with a positive spillover interpretation.

Alternative Markers of Neighborhood Quality

In view of the poor performance of the neighborhood poverty rate as a marker of neighborhood quality, the question of an alternative marker (or markers) becomes paramount. While reviewing a comprehensive set of alternatives was well beyond the capacity of this study, we were able to explore one indicator that has been widely discussed in the neighborhood poverty literature, namely, the underclass. Again, the results were inconsistent across the 25 neighborhoods. In four of the neighborhood subsamples, the greater presence of the underclass was not consistently found in neighborhoods of lower quality using a large array of quality measures, or the expected pattern occurred in only a few isolated instances. In the remaining subsample of five neighborhoods, the underclass measures performed much more consistently and expectedly: higher-quality neighborhoods had much lower rates of underclass attributes (e.g., households receiving public assistance; unemployed males), while lower-quality neighborhoods had a greater fraction of households with these characteristics.

Implications

This study demonstrates the lack of an empirical basis for using the census tract poverty rate as an indicator of neighborhood quality. It, therefore, calls into question government benefit programs that use the poverty rate as an eligibility criterion for participation based on the belief that taxpayer dollars will not be wasted on locations where neighborhood quality is unacceptably low. The present analysis indicates that using the neighborhood poverty rate as a proxy for neighborhood quality, as, for example, HUD's project-based voucher program does, is likely to exclude neighborhoods worthy of inclusion, and to include neighborhoods that are not. HUD is currently drafting new regulations for this program, offering the opportunity to revise the 20 percent poverty rate threshold now in place. What should replace it?

A fundamental step in answering this question is to identify the particular characteristics of neighborhoods that render them poor risks for particular government programs. This effort could begin with a critical review of rigorous evaluations of neighborhood-based public programs to tease out the neighborhood attributes associated with improvement and success, or decline and failure. Ideally, the goal is to identify causal--not just correlational--factors. Recent studies of the impact of the Community Development Block Grant (CDBG) program on urban neighborhoods should also be reviewed. If this re-analysis proves inadequate, then it may be necessary to launch a new study of a large sample of neighborhoods across the country.

It is also worth reconsidering the use of census tracts to identify neighborhoods. In the present study, census tracts posed two fundamental problems. First, in virtually all 25 neighborhoods, the census tract boundaries were inconsistent with both city-designated neighborhoods and residents' perceptions of the boundaries of their neighborhoods. In addition, there were a number of neighborhoods in the sample that encompassed both higher-quality and lower-quality areas. In these cases, we disaggregated the neighborhood into sub-neighborhood areas using block group data. Relying on census tract data alone would have provided a very misleading profile of the neighborhood and led to incorrect conclusions.

Moving from the single poverty rate criterion to what is likely to be multiple measures also raises data issues. The poverty rate has the substantial advantage of being a single measure that is easily accessible from decennial census data. But there is no guarantee that the attributes ultimately identified by research as key for neighborhood improvement or decline will be as accessible. Fortunately, many locales have substantially increased the amount and quality of data they collect and maintain about services, economic investment, and a host of other activities, accomplishments and problems. But not all have done so, and may not be in a financial position to make this significant investment. And even among those that have, data are not always available on all sectors or activities, time trends are not of uniform length, and quality also varies. In Baltimore, for example, although we benefitted from rich data on many domains, data on school quality--which much literature points to as an important measure of neighborhood quality--was particularly problematic. Despite the variations in data collection and sophistication across localities, we recommend that any study of alternative eligibility criteria not be restricted to census data alone so that the best array of measures can be identified. At that point, data issues can be addressed.

A final consideration emerging from this study is whether there is an appropriate role for localities to play in federal (or state) programs directed at neighborhoods. There were numerous instances in this analysis where a clear understanding of a neighborhood's status could not be derived from the quantitative census and administrative data alone. Inconsistencies between federal criteria and local plans can also present problems. In Baltimore, for example, some neighborhoods that did not meet HUD's eligibility criterion for the project-based voucher program had been targeted for redevelopment by the city. The inability to concentrate resources from several sources on these neighborhoods may have undercut their prospects for successful revitalization. While HUD allows cities to apply for a waiver for just such instances, this inconsistency in targeting raises the broader issue of local involvement, which is the hallmark of other neighborhood-oriented programs, such as CDBG.

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